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Daily on Serb Capture of Muslim Enclaves in B-H

*AU3010142695 Paris AFP in English
1350 GMT 30 Oct 95*

[FBIS Transcribed Text] Berlin, Oct 30 (AFP)—The French commander of UN troops in ex-Yugoslavia was probably aware of Serb plans to capture UN-protected Moslem enclaves in Bosnia but did nothing to prevent them doing so, a German daily reported Monday.

The left-leaning DIE TAGESZEITUNG said that when Dutch troops stationed in the enclave of Srebrenica appealed to Lieutenant-General Bernard Janvier to call for NATO air power against attacking Serb troops he answered: "Gentlemen, don't you understand? I have to get rid of these enclaves."

The newspaper, quoting intelligence sources, added that in May Janvier asked the UN Security Council to relieve his troops of the responsibility of protecting these enclaves.

The allegations in the DIE TAGESZEITUNG are similar to ones published in the British daily THE INDEPENDENT on Monday. The latter, in a front-page article, said that on May 24, six weeks before Srebrenica fell to the Serbs, Janvier "told UN diplomats to abandon the Moslem enclaves and the other so-called 'safe areas.'"

The German daily added that French intelligence monitored conversations between Serbian military leaders and their Bosnian Serb counterparts ahead of the offensive on Srebrenica, where at least 3,000 men were executed according to witness accounts.

The paper, quoting NATO officers, said that it would be inconceivable for Janvier to have been unaware of these intelligence reports considering he was French.

Bosnian Serbs overran Srebenica on July 11, and some 8,000 people are believed to have been massacred in the aftermath of its capture, according to the International Committee of the Red Cross.

Berisha on Relations With Greece, Serbia, EU

BR3010123395 Brussels RTBF-1 Television Network in French 1125 GMT 28 Oct 95

[Interview with President Sali Berisha by anchorman Georges Moucheron in Brussels; from the "Objectif Europe" talk show; Berisha speaks in French—live]

[FBIS Translated Excerpt] [Moucheron] [passage omitted] [Mr. Berisha,] it is mid-October and you are in Brussels. What did you ask the EU? Was it more aid, more assistance? Albania allegedly is the country which receives the largest amount of Western aid per capita. What more can Europe do for you?

[Berisha] Yes, the EU is the largest donor country for Albania in these difficult times, but I think that Albania, in return, has succeeded in using this aid very efficiently. [passage omitted]

[Moucheron] Let us talk about international politics now, because you had some problems with one of your neighbors who is also a member of the EU. Are relations with Greece better now? Has the situation improved, is it less tense? We still remember the trials in Tirana and the expulsion of illegal Albanians from Greece. What is the situation like nowadays?

[Berisha] It is better. I am optimistic. The relations between our two countries will definitely have a very bright future, because throughout history we have had more friendly days than difficult ones with our southern neighbor. I think that the values we are currently sharing and the goals we are pursuing will play a very important role in a future based on friendship and very close cooperation between our two countries. The two countries have shown an increasing willingness to contribute to mutual understanding and cooperation. Greece has given Albania much help. Albania, in return, is a quite interesting country for Greek investors. That is why I am optimistic about the relations between our two countries.

[Moucheron] You have another trouble-ridden neighbor in the north, Serbia and the problems in the Kosovo province, where 90 percent of the population is Albanian and which is governed forcefully by the Serbs, who even have plans to put up Serb refugees from Krajina in the Kosovo province, some of whom are actually already living there.

[Berisha] The Kosovo issue is the most complex one of the Balkans. This region, which is almost entirely Albanian and inhabited by Albanians, has lost all its human and national rights over the past 10 years, because of Milosevic's decision to cancel these rights as time went by. Unfortunately, despite the progress it achieved, the international community has not yet paid sufficient attention to this issue because, as long as no solution is found for the Kosovo problem, there will be no solution for the Balkan crisis. Therefore, I would like to insist that negotiations between Pristina [capital of Kosovo] and Belgrade should begin. These negotiations should lead to a status which can be accepted by all parties involved. The Albanians insist on a democratic solution, and Albania demands that international borders be respected. In this context I think a solution is possible, but, unfortunately, the Serbs do not show any willingness to pursue this track. The latest events have even shown that Belgrade wants to complicate, not solve, the problem. The sending of Krajina refugees to Kosovo is evidence of their determination to change the ethnic composition of the province and to challenge the international community and the local Albanians. At a time when the international community insists on finding a solution, Milosevic want to complicate such a solution.

[Moucheron] Do you think the only possible answer is to force a solution upon Mr. Milosevic, as is currently being done in Bosnia?

[Berisha] Absolutely. If the international community does not insist on this issue, the Balkans tragedy, the Balkans conflict will be a tragedy with several acts.

[Moucheron] Well, Mr. Berisha, unfortunately, we are reaching the end of this program. One more question: You are in Brussels, you went to the EU. I repeat my question: What did you ask Europe?

[Berisha] I paid an official visit to the European Commission to discuss the association agreement. I think that Albania over the past three years has shown that it is deeply engaged in the process which should make it a free-market economy and a rule-of-law state. I think that the time has come to open negotiations on this association, because Albania, whose production had dropped terribly until three years ago, has had the highest economic growth rate for three years now; it has had the lowest inflation rate of all East [European] countries; it also has solved its debt problems. Our GNP-to-foreign-debt ratio is one of the lowest, it is less than 10 percent. In addition, the private sector produces 75 percent of our output, and 82 percent of our trade exchanges are with EU countries. Therefore, and also because we have replaced all our former laws with new, European-style laws, Albania deserves such an association agreement. Personally, I am not in a hurry. To open negotiations and continue step by step until we can affix our signatures—this would contribute to Albania's European integration policy.

[Moucheron] Thank you, Mr. President. [passage omitted]

End of U.S. 'Spy Planes' Mission Viewed

AU3010134295 Lezhe KOHA JONE in Albanian 28 Oct 95 p 2

[Report by A. Rrozhani: "Predator Planes End Their Mission"]

[FBIS Translated Text] Goodbye, Gjader. On 5 November, the mission of the Predators officially comes to an end.

The U.S. mission at the airport in Northern Albania is in a fever of evacuation. From mid-July, when the Predator mission started in the Bosnian airspace, the Pentagon engaged 4 planes at a cost of $1.2 million and 80 Americans, 20 of whom were civilians. It was expected that the mission would last for two months, but the time limit has been surpassed. Last Saturday, a C-130 transport plane, which carries a cargo of 20 metric tons, evacuated some of the equipment. The deployment is continuing very slowly, in contrast with the very rapid arrival in July. The biggest cargo articles are 14 personnel tents, 3 remote controls, and the giant hangar in which, at the moment, three Predators, also called "spy planes," are resting. The Albanian military have been impressed by the fact that, although the mission has ended, one predator flies every day. Unlike the flights over Bosnia that lasted up to 24 hours, the plane returns after 2 to 3 hours, without crossing the Albanian border. It is thought that the mission to take photographs over Bosnia was not the only one underway. Equipped with infrared, the machines appear to be prospecting the Albanian land for oil, gold, or rare ore resources. Another task is the compilation of a 1995 geographic map of the Balkans, on which all the military points of the Balkan countries will be marked, so that, in the event of future Balkan conflicts, the United States can intervene with high precision. The fourth task is "top secret."

Now, on the eve of the departure of the U.S. troops, the Albanian military in Gjader are very much moved. The "occupation" army brought wonderful men to Albania. They are young men, very polite, with most holding three-year contracts with the Army. Every Wednesday, they gave each Albanian soldier 12 portions of bread with "American flavors," and other U.S. Army presents will be distributed soon. The incident that took place two months ago when an Albanian soldier stole 90 meters of low-voltage cable has been forgotten. Two weeks ago, John Shalikashvili left Albanian-U.S. cooperation in the hands of the military experts, but the Albanian military are optimistic about their cooperation with the Pentagon.

Thirteen To Be Tried Under Antigenocide Law

AU2810143895 Tirana KOHA JONE in Albanian 26 Oct 95 p 4

[Report by A.P.: "Haxhi Lleshi To Be Sued"]

[FBIS Translated Text] From the Tirana Prosecutor's Office come signals of another trial inspired by the antigenocide law. This time, after Shefqet Peci, another partisan commander, Haxhi Lleshi, is expecting to be interrogated under the same law. While the first was accused of the execution of 21 people during the war, Lleshi is on trial only because he was a witness in one of the trials against the "traitors" after the war. Besides his name, in the Prosecutor's Office is a list of 12 other names. The denunciation is signed by a citizen from Durres whose father was sentenced to 30 years by the "special trial" in December 1944-March 1945, and who later died in the Vllacisht camp, in Maliq, Korce. "It is an ordinary denunciation, and soon we will study it, just as all the other cases that are presented to the prosecutor," says Tirana Deputy Prosecutor Blerim Tominaj to KOHA JONE. The list is dominated by the names of some of the protagonists in Albanian political life for 45 years after World War II. Some of them, such as Koci Xoxe, Bedri Spahiu, and others suffered the same fate as their victims.

Two weeks after the approval of the antigenocide law, the 55-year-old made the denunciation at the Tirana Prosecutor's Office. The "special trial" of 1944-45 is the cause of this denunciation. The father of the Durres citizen, Sulejman Vuciterni, was sentenced by the "special trial" to 30 years in prison along with 60 others for "war crimes." He died later in the Maliq camp. After describing the episodes from those days, the denouncer demands to sue all the members of the jury, the prosecutor, and the witnesses of the trial for "genocide and crimes against mankind." On the long list are the names of former Chief Judge Koci Xoxe and members of the jury, Bilbil Klosi, Faik Shehu, Dr. Medar Shtylla, Beqir Balluku, Hysni Kapo, Gaqo Floqi, Halim Budo. On the list of 13 names are also prosecutor Bedri Spahiu, and witnesses Haxhi Lleshi, Spiro Koleka, and Kahreman Ylli. Many of them are dead but might be tried post mortem. Others, such as Haxhi Lleshi, Spiro Koleka, Bedri Spahiu, and others who are living, may be tried. The Prosecutor's Office confirms that "everything will be considered in conformity with the laws of the time when the event took place. Only in the case of a violation of legal acts will we take action."

[Box, p 4]

Minihistory of the "Special Trial"

Only a few days after Albania's liberation from fascism, the "special trial" started. For three months on end the trial took place in the National Theater. This process was also called "The Albanian Nuremberg." Sixty people were sentenced, among them Bahri Omari, Enver Hoxha's brother-in-law. On 1 March 1945, Chief Judge Koci Xoxe announced the verdict: 17 people received the death penalty, eight got life imprisonment, and 35 others got 472 years imprisonment altogether. Because of the people tried, this is also considered the trial "of important figures." It preceded the occasional trials that followed in Albania.

PDK Submits Goals, Denies Election Alliances

AU2810173295 Tirana Radio Tirana Network in Albanian 1330 GMT 28 Oct 95

[Report by Artan Kutra]

[FBIS Translated Text] The Assembly of the Albanian Christian Democratic Party [PDK] National Council held its proceedings at the Palace of Congresses in Tirana today.

PDK Chairman Zef Bushati delivered a speech that focused on the party's position in the future election campaign, while Deputy Chairman Rrok Kurti concentrated on increasing and expanding the party ranks with new members. Nikolin Pema then spoke about the preparations for the Pan-National Christian Democratic Union congress.

A resolution by the PDK National Council noted that the Christian Democrats devote their ideals to the entire Albanian people and believe that the type of governing should be decided by referendum. The People's Assembly should be made up of two houses—deputies and representatives. They stressed the need for the depoliticization of state administration, of judicial bodies, of the army, of forces of order, etc. and for establishing the status of an employee and for certain other criteria.

It was stated at the meeting that the Christian Democrats favor the return of properties to former owners and religious institutions, support the former political persecutees and pensioners, and call for a constitutional law to protect adolescents and children.

The PDK National Council also decided that this party should not enter into any kind of coalition with the socialists, not before or after the elections. The party leadership decided that they should be in opposition with the Democratic Party. They decided to maintain an opposing stance to all the political parties, anticipating to enter into area alliances with the centrist and right-wing political parties, according to specific conditions of each area. It was decided that the Christian Democrats participate in no pole, neither in the center nor on the right. They will support any anticommunist action not to allow the communists to come to power.

The meeting also decided that the PDK second congress will be held in March 1996.

East-West Corridor 'Guarantees' Balkan 'Stability'

AU2810145295 Sofia KONTINENT in Bulgarian 24 Oct 95 p 6

[Commentary by Krasimir Tsigularov: "Road to Security"]

[FBIS Translated Text] On 23 October in New York the presidents of Albania, Bulgaria, Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], and Turkey signed a declaration in which they confirm the importance of the East-West transportation-communications corridor for stability in the region. Perhaps, thus, they created the possibility of progressing from good intentions and discussions on developing the infrastructure and improving transportation links in the region to specific work in this field.

The real start of such projects, based on firm interstate agreements, is especially important. First of all, this is the only manner of attracting foreign investment. Second, it is precisely the perfection of communications that is in the basis of real economic development, which so far remains illusive.

For a long time the East-West transportation corridor has been being pointed out as a basic project in the Balkans. The energy and communications links also have vital importance for the relevant states. The international financial institutions also demonstrate interest in the project. The long delay in beginning the specific work creates the dangerous possibility of the region being simply sidestepped.

In this context the New York signal is especially important. It stresses that good economic relations is one of the factors that eliminates contradictions and guarantees stability. What remains is to get rid of political bias and work for mutual prosperity.

Pirinski Departs for EU Meeting in Luxembourg

AU3010155195 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 30 Oct 95

[FBIS Translated Text] On 30 October Foreign Minister Georgi Pirinski departed for Luxembourg, where he will take part in the regular meeting of the Council of Ministers of the EU and the associated states.

Mr. Pirinski expressed the hope that the PHARE [Economic and Reconstruction Aid for Poland and Hungary] Program will be discussed in a businesslike manner. In his view, it must develop in two directions: rendering Bulgaria greater assistance in its association with the EU, and participating in specific investment projects.

The Bulgarian side expects to obtain a better idea about the development of the plans for EU reform and expansion, especially the terms and scope of this expansion.

The issue of the visa regime is not on the agenda, but in the context of expanding the EU, Bulgaria has the right to raise the matter of an equal start for associated countries, Minister Pirinski said.

BSP's Purvanov Predicts DPS' Political Demise

AU3010115995 Sofia 24 CHASA in Bulgarian 26 Oct 95 p 12

[Interview with Georgi Purvanov, deputy chairman of BSP Supreme Council, by Miroslava Badzheva; place and date not given: "Georgi Purvanov: DPS Wants Ethnic Voting"]

[FBIS Translated Text] [Badzheva] Mr. Purvanov, the Rights and Freedoms Movement [DPS] is threatening you with the courts because of your statement in Kurdzhali. For your part, you said that you will relinquish your parliamentary immunity in order to take Dogan's people to court.

[Purvanov] So far I have not heard anything from the prosecutor's office, however, I, myself, will seek justice from the court in a libel action. I cannot ignore the crude lies and slander addressed to me by certain DPS leaders. I am not concerned with the possible outcome of this scandal, because throughout my political career I have not uttered a statement that could give anyone reason to address such accusations against me. I know of no cruder political slander than the claim that I am dividing the population into Bulgarians and Turks. Moreover, I am one of the few Bulgarian politicians who adheres to the theoretical state-political, not ethnic, definition of nation. I think that all ethnic groups belong to the Bulgarian nation. We must conduct a policy that will bring them together, rather than repel them. The DPS is doing precisely the opposite. They are working for the alienation of their minority and opposing it to all other ethnic groups.

[Badzheva] Dogan's people accuse you of seeking ethnic elections in Kurdzhali—Bulgarians against Turks.

[Purvanov] It is precisely the DPS that is conducting a pronounced ethnic campaign. The evidence—the visit of a foreign diplomat who fomented pro-DPS agitation, conducting the election rallies exclusively in Turkish, and the suggestions, sometimes even at public events, that if the BSP wins the elections it will stop the Turkish language studies and close the mosques. Even stupid claims are voiced such as the one that the Bulgarian Turks' satellite dishes will be seized if the BSP wins the elections. This already exceeds the bounds of decent political behavior, and obviously, I will have to meet with the authors of those claims in court.

[Badzheva] Could you say that the mayorship race in Kurdzhali is the most important for the BSP after the one in Sofia? Actually, what started the problem called Kurdzhali?

[Purvanov] I do not want to rate the importance of the victory in various cities. For us, Kurdzhali is especially important because this is a strategic border region whose stability affects the entire country. Our victory over the DPS would probably mean the beginning of the end of this openly ethnic organization, and I hope that its voters will join nationally responsible parties not only of the leftist forces, but also the Union of Democratic Forces [SDS], the People's Union, and the Bulgarian Business Bloc [BBB].

The idea to consolidate the voters along an anti-DPS line is the logical result of the comprehensive development of the Kurdzhali region in the last four years. The DPS itself asserted the ethnic principle in its municipal policy. It suffices to see the membership of the local administration and some of the local leadership's decisions. The BSP will assert precisely the opposite line—we will reserve places in the future municipal administration for people with different political affiliation, including the SDS, BBB, and the People's Union, as well as people who belong to different religious and ethnic groups.

Minister Outlines Options for Bosnia NATO Unit

AU3110114195 Prague MLADA FRONTA DNES in Czech 24 Oct 95 p 2

[Article by "(gag, lup)": "The Army Command Has Probably Already Found a Suitable Commander for the Peacekeeping Unit in Bosnia"]

[FBIS Translated Text] Prague—The Army command has evidently already selected the commander of the unit that is to take part in the peacekeeping operation in Bosnia. He is Lieutenant Colonel Ludovit Cirok, commander of the departing UNCRO [UN Confidence Restoration Operation in Croatia] battalion. Defense Minister Vilem Holan said that he can picture Cirok in this role. "He is a very capable but ordinary down-to-earth soldier," said the minister in reference to him.

The Army is still taking into consideration various options for its participation in the Balkans. "It could be a reinforced battalion, an engineering unit, or even a field hospital," said Holan. "We have several options that we are constantly refining due to the costs associated with preparing troops for and dispatching them to Bosnia," said Holan.

However, diplomatic sources have said that the North Atlantic Alliance is making Prague's participation in the Bosnian operation conditional upon dispatching a combat unit. It must be capable of conducting independent offensive and defensive operations, while the commanders of the platoons have to know English. Moreover, NATO is demanding that, besides support and rear-echelon units, the battalion has a group of specialists capable of vectoring the alliance's aircraft to their targets should the situation warrant this.

A condition for the dispatch of international forces to Bosnia is a peace treaty between the warring sides, after which should follow their official request to Brussels.

Defense Minister Vilem Holan thinks that participation in the peacekeeping operation could contribute to defining the scenario for the Czech Army's incorporation into the North Atlantic Alliance. Holan's department finalized this program in September, and it ensues from it that the Army will fulfill the conditions for admission into NATO in 1997.

Diplomatic sources have described the conditions for our participation in the NATO contingent as very tough. "If we manage to fulfill them, there should be virtually nothing to prevent our membership in the alliance," said a senior Czech diplomat who did not wish to be named.

Herzog, Havel Discuss Ties, Hold News Conference

LD3010174195 Berlin DDP/ADN in German 1549 GMT 30 Oct 95

[FBIS Translated Text] Dresden (DDP/ADN)—Czech President Vaclav Havel and German President Roman Herzog agreed at their meeting in Dresden today that a Czech-German youth festival should be prepared for summer 1996. They also agreed that a library should be set up for German and Sudeten German literature in the northern Bohemian town of Liberec [German name Reichenberg]. At a news conference, the two presidents said that these projects would be building blocks for good relations between the two countries.

Herzog and Havel, who attended a meeting of the German-Czech historians' commission in Dresden, called for a broad public debate about their countries' common past. "That way history will not be something that divides us but a means to understand each other better," Havel said. Dialogue must be a means to help us get closer to each other, he added.

The German president rejected the concept of so-called collective guilt of a people. "There can be no collective guilt on the German or the Czech side," he said. "It is always a question of individual responsibility. Therefore, a more discriminating view of history is essential," he added.

Havel Praises Historians

LD3010194595 Prague Radiozurnal Radio Network in Czech 1700 GMT 30 Oct 95

[FBIS Translated Text] President Vaclav Havel visited Dresden, where he met German President Roman Herzog. Jiri Halousek reports from Dresden:

[Halousek] Vaclav Havel and Roman Herzog attended the session of the Czech-German commission of historians, which has been active for five years already.

This is what the Czech president said at a news conference:

[Begin Havel recording] My impression is excellent. It appears that this commission has found a common language and that a friendly atmosphere has even been created. The commission is being guided by the will to describe, in a matter-of-fact style, various chapters in the history of Czech-German coexistence. [end recording]

[Halousek] The historians attending the session emphasized that the so-called disputed issues were a minority. One of the major obstacles is still a dispute about the number of Sudeten German lives lost during the expulsion. The Sudeten German Landsmannschaft and some

German newspapers keep claiming that 250,000 Sudeten Germans died during the expulsion. Professor Jan (Kren), chairman of the Czech side of the historians' commission, said:

[Begin Kren recording] Establishing an exact number of the losses is not possible, of course. It is estimated, at least on the Czech side, that the loss of life caused by violent deaths, suicides, deaths from illness, and so on is approximately 30,000. [end recording]

[Halousek] Professor (Ferdinand Heinz von Denn) and other historians speaking for the German side favor this estimate and say that the Sudeten Landsmannschaft figure is grossly exaggerated.

Havel and Herzog stressed the importance of transferring the outcome of the talks of the two countries' historians into the thinking of the public and politicians.

During their discussion, the two presidents decided to lend their support to two projects: a meeting between Czech and German young people next summer, designed to establish a new tradition, and the building of a library in Liberec containing German and Sudeten German books.

Late in the afternoon, Havel received an honorary degree from the Dresden Technical University.

Klaus Calls Kalvoda's Criticism of ODS 'Unfair'

AU3110123795 Prague MLADA FRONTA DNES in Czech 24 Oct 95 p 2

[Article by "(jik, nak)": "The Prime Minister Has Rejected Kalvoda's Criticism"]

[FBIS Translated Text] Prague—Prime Minister Vaclav Klaus considers as unfair the claim made by Jan Kalvoda, chairman of the Civic Democratic Alliance [ODA], that the government is not fulfilling its promises. "This impairs the coalition's fragile coexistence," declared Klaus yesterday. Kalvoda promptly rejected this appraisal.

In his speech at ODA's nationwide conference held in Ostrava on the weekend [21-22 October], Kalvoda criticized the nonfulfillment of government promises and especially the pragmatic ideology espoused by the Civic Democratic Party [ODS]. In this context, he referred in particular to the coalition parties' failure to agree on the establishment of territorial-administrative units and, thus, on the decentralization of the state administration.

"This is a disparagement of our own promises, a disparagement of the voters as competent beings, and, in some cases, even a disparagement of the importance of our constitutional documents," said Kalvoda with regard to Klaus's party.

The ODS chairman said yesterday that he has grown used to such attacks, but he is surprised that they are becoming the central feature of the main speech delivered at some party congresses. That is, in addition to Kalvoda, Josef Lux also made clear his disagreement with some of the views of the strongest governing party at the Christian Democratic Union-Czechoslovak People's Party's recent congress.

"I respect the fact that each individual has his own view on different things; its endorsement or nonendorsement is a matter for agreement within the government, of which Mr. Kalvoda is the deputy prime minister and ODA an integral part," declared Klaus. Kalvoda said in response to this that his party is merely trying to define those areas where the pace of reform has slowed down. "We consider defining these areas to be an essential condition for formulating ODA's future policy. This was the central theme of my speech, not criticism of the government," he said.

ODS Executive Deputy Chairman Libor Novak reiterated yesterday that his party is still interested in decentralizing the state. "We are saying, however, that this is too complicated an issue and that, if no compromise has been found in three years, it will obviously not be possible to find one in the time remaining until the elections," said Novak. According to him, it is impossible to say unequivocally who bears the responsibility for the coalition's failure to reach an agreement on the regions. "It is hard to say who should make more concessions and who fewer," he added.

Calfa, Rychetsky To Become Social Democrats

95CH0340A Prague LIDOVE NOVINY in Czech 7 Aug 95 p 5

[Commentary by Martin Manak: "Zeman, Calfa, and Rychetsky"]

[FBIS Translated Text] The chairman of the Czech Social Democrats, Milos Zeman, has obviously recovered following unsuccessful efforts to woo Jiri Svoboda, former chairman of the KSCM [Communist Party of Bohemia and Moravia], and has begun persuading Marian Calfa, former federal prime minister, with greater vehemence to join the CSSD [Czech Social Democratic Party]—and it seems that he is doing so with relative success. The head of the People's House is once more attempting to give impetus to the process of recruiting important personalities, after some time—personalities that are, for the present, in desperately short supply for the rapidly growing Social Democrats on the ladder of popularity. Calfa is undoubtedly a highly capable individual who, for a period of more than two years, brilliantly headed two governments that were in power under the complicated conditions of a disintegrating federation. He could, thus, provide valuable know-how to Milos Zeman, who is scrambling to get into the government through the main entrance. The fact that Calfa—who three years ago was still the election leader of the Slovak rightist ODU [Civic Democratic Union]—has chosen the leftist Social Democrats for his attempt to enter the Czech political scene is quite understandable. Calfa's ministerial activities in the pre-November Adamec communist government would not necessarily have to be to the liking of our rightist parties during the preelection campaign.

However, the recruitment of new faces for the CSSD is not exhausted merely by the person of the former federal prime minister. Recently, Zeman enthusiastically welcomed into the party Pavel Rychetsky, the one-time "president's man," who always stood in the opposite opinion corner in the Calfa Federal Government than did Vaclav Klaus, former minister of finance. Thus, Rychetsky's entry into the CSSD is the absolutely logical culmination of his political career path, which was characterized by the debacle of his candidature on behalf of the OH [Civic Movement] in the last parliamentary elections. As a one-time federal "legislator number one," Rychetsky will be a significant reinforcement for the People's House. Despite the fact that in his new area of activity he is, for the present, denying having any kind of ambitions, he will obviously become a serious competitor for Zdenek Jicinsky for a position in the CSSD shadow cabinet, which is being prepared. Rychetsky's June statements, in which he indicated that the "CSSD should wait until the year 2000 with its government efforts, because the general crisis in society that has developed must start being resolved beginning next year by a government of specialized civil servants under the auspices of President Havel," have surely already been forgotten.

It will be interesting to see which other personality the Social Democrats will attempt to address the next time. It is no secret that some important social democratic politicians have, for a considerable length of time already, been longing for Jiri Dienstbier, chief of the Free Democrats....

Government Takes Measures Against Hepatitis

AU3110125895 Prague MLADA FRONTA DNES in Czech 26 Oct 95 p 1

[Article by "(rep)": "Hepatitis Has Intruded on the Government"]

[FBIS Translated Excerpt] Prague—The illness contracted by Minister Dlouhy, who is in the infectious diseases unit of Prague's Na Bulovce Hospital with suspected hepatitis, has compelled the other Cabinet members to see a doctor and has intruded considerably on the running of the whole office.

Because of Dlouhy's illness, all of the ministers who attended yesterday's regular meeting underwent a thorough examination in a dispensary in the government building. The possibility that the other ministers may be at risk from this disease cannot be ruled out. The whole building had to be disinfected several times during the course of the day.

"The government has complied with what the law lays down on the campaign against contagious diseases," said a doctor from the government's dispensary.

Two other ministers—Josef Zieleniec and Jiri Novak—were, however, confined to their beds yesterday; they both have severe influenza. Doctors point out, though, that hepatitis manifests the same symptoms as influenza in its initial stage.

A blood sample was taken from all of the healthy ministers for hepatic tests, and they were given an injection of gamma globulin. They will not go for regular five-day checkups but will have to look after their health carefully for 50 days. The government's doctor confirmed yesterday that the results of the laboratory tests will be known in the next few days.

Following their meeting with Industry Minister Dlouhy at the 20 October session of the Customs Union Council in Prague, two Slovak Government ministers—Deputy Prime Minister Sergej Kozlik and Economy Minister Jan Ducky—have also been inoculated against hepatitis. [passage omitted]

Ceska Banka Faces Attempt To Revoke License

AU3010125495

[FBIS Editorial Report] Prague MLADA FRONTA DNES in Czech on 20, 21, and 24 October and Prague CTA in English on 23 and 27 October carry a series of articles and reports on the difficulties facing Ceska banka [Czech Bank].

The daily commences its reports on this issue on 20 October with a 400-word item by "(ha, ip)" carried on page

1 under the headline "Ceska Banka Will Probably Lose Its License." According to this report, "Ceska banka will evidently become the fourth financial institution in the country to lose its license to conduct banking activity because it has granted loans for questionable and loss-making projects. For this reason, the central bank, according to its spokesman Martin Svehla, decided yesterday, along with the Finance Ministry, to initiate immediately an administrative procedure that will lead to the withdrawal of this institution's banking license." The report says that the bank had deposits from small savers amounting to 1.7 billion korunas [Kc] but had provided credit of more than Kc7.0 billion. Ceska banka got into its first "serious difficulties" last May. It tried to resolve them by means of another "capital input" from the Latvian Banka Baltija, which increased its participation in the bank to 49 percent. According to the daily, "the attempt failed, however, and, by the end of the year, the bank's economic losses were so great that they exceeded its basic capital. Moreover, Banka Baltija collapsed in May of this year and Ceska Banka was then unable to find a serious investor who could extricate it from its financial difficulties." The report goes on to say that the Czech National Bank [CNB] instructed Ceska banka to increase its obligatory reserves to Kc4.0 billion, which is "roughly four times more than Ceska banka's basic capital." According to the report, because the law on the mandatory insurance of deposits has been in force since August, it is unlikely that the course of action in this case will be the same as in the cases of Banka Bohemia or AB Banka, "that is, the state will obviously play no role in protecting the deposits of its clients."

The daily continues its series of reports on Ceska banka on 21 October with a 600-word article by "(man, ip)" carried on page 15 under the headline "Ceska Banka's Difficulties Were Probably Caused By Shareholders." It says: "According to a source who does not wish to be named, the businessman Alexandr Komanicky, who was involved in Ceska banka's establishment, owes the bank the largest sum—more than Kc1.3 billion. At the same time, in March 1995, the police received information that fraud damaging to the bank was apparently involved in some cases concerning credit; the investigation has not been completed yet, however. Other huge sums, according to the source, were lent by Ceska banka to the Beso and Trezoria companies, behind which is Miroslav Bednarik, a former member of the bank's board. The Trezoria company is also a shareholder in AB Banka, against which, like Ceska banka, the central bank initiated proceedings to withdraw its license." According to this report, most of the credits granted by the bank last year, more than Kc5.0 billion, were short-term credits with a repayment period of up to one year. It also says that the firm of auditors, HZ Praha, which examined the bank's accounts last year, had mentioned in its report that its reserves against possible losses were "extremely inadequate" and recommended that they be increased by at least Kc3.5 billion, but the bank did not have the resources to create such reserves. This report also reveals that, when Banka Baltija collapsed, "its almost 50-percent stake in Ceska banka was taken over by four companies represented by Ilya Zarachovskiy. Apart from these companies, the largest shareholder in the bank is Ceska sporitelna [Czech Savings Bank], which owns shares worth Kc336 million, which is 28 percent of the basic capital. A smaller amount of shares are also owned by AB Banka, Velkomoravska banka [Greater Moravia Bank], and Agrobanka as well as some physical persons, including Ceska banka's former chief Ivar Fiser."

In another 500-word report by "(man)," carried on the same day on page 1 under the headline "Ceska Banka Has Refused To Repay Its Clients Their Deposits," the daily says that the bank "merely offered hundreds of those interested in withdrawing their money the possibility of transferring their deposits to other banks, but did not give them anything in cash." Bank officials were unable to say what it would do next, but the deputy chairman of its board, Dusan Baran, said that "the management of this institution is trying to take measures that would alleviate the impact on customers." The report also quotes the bank's spokeswoman, Marcela Dvorakova, who said that only two-thirds of the deposits are insured in case the bank is unable to repay them.

The daily carries another 500-word report by "(ha, tma)" on 24 October on page 1 under the headline "Ceska Banka's Clients Could Not Even Get to Its Counters." According to it, "all of Ceska banka's branches remained closed yesterday, which means that the crisis facing this banking institution has intensified even more. Obviously, its financial position had worsened during the dramatic course of 20 October, when hundreds of people demanding that their money be paid back stood outside the bank's branches." The daily writes that even those clients who managed to transfer their savings to other banks have not achieved anything. These transfers are carried out through the CNB's clearing center. If they are not covered sufficiently, the center will not deal with them. The report cites CNB spokesman Martin Svehla, who says that "transferring money via the clearing center, in which all of the financial institutions have accounts, is normal. However, only payments that are covered can be implemented." The report also quotes Ceska banka's spokeswoman, Marcela Dvorakova, who said that the possibility that the bank could lose its license "has seriously disturbed its clientele and, at the same time, made it impossible for this bank to resolve the situation by means of normal banking operations." According to the daily, this probably means that only a few clients, those who went to the bank first thing on Friday morning, have managed to get their money back. The others will have to rely on the clearing system. The report concludes: "Ceska banka's management has announced that it is negotiating with another party interested in taking over the bank. 'I cannot give the name of the investor, but it is not the Russian Intertekbanka,' declared Marcela Dvorakova. It is rumored in banking circles that this interested party is from Germany."

Prague CTA in English on 23 October at 1830 GMT also carries an item on Ceska banka. According to this report, "even before the CNB began proceedings against it, Ceska banka held a number of negotiations with potential investors in order to increase its share capital from the current Kc1.2 billion to Kc2.4 billion. Negotiations with Intertekbanka proceeded the furthest; however, Intertekbanka is on the Russian blacklist of banks that have the greatest number of bad loans. Ceska banka has closed all of its branches for an indefinite period of time. According to Dvorakova, the bank decided to handle the situation this way rather than with a chaotic payoff of deposits, for which it does not have enough cash anyway. 'I cannot say now when the branches will be opened to the public again,' Dvorakova told CTA. Ceska banka clients are being informed about the shutdown in strictly formulated notices placed at individual branches. The bank is announcing that it cannot, for the time being, pay off fixed-term deposits or transfer them to other banks. The bank also said it is still obliged to accept payments coming to client accounts through the Czech National Bank clearing center."

Prague CTA in English carries two items on Ceska banka on 27 October. The first one, issued at 1453 GMT, concerns an offer from the Podnikatelska banka [Business Bank] to "bail out" Ceska banka. According to CTA, the banks' managements held negotiations on 26 October, but "without any concrete results." Podnikatelska banka had offered to take over Ceska banka's liabilities to individuals amounting to Kc500 million. CTA quotes Pavel Sehnal, the chairman of Podnikatelska banka's board of directors. He said: "We offered Ceska banka a plan to solve their current situation, and its management promised to discuss it at their next board of directors' meeting, which will take place next Monday [30 October]."

The second item, issued at 1537 GMT, concerns another offer to take over Ceska banka's liabilities, this time from Banka Hana. According to this report, "'Banka Hana negotiated with floundering Ceska banka today to take over its two branches in Moravia and all its liabilities for both individuals and corporations. Ceska banka would cover their obligations towards Banka Hana by turning over real estate property,' Banka Hana spokesperson Jana Safrankova told CTA today. The remainder of Ceska Banka's obligation to Banka Hana would be settled by Ceska Banka transferring some loans to Banka Hana, who would then receive the payments on them. Safrankova said Ceska Banka's board of directors will discuss Banka Hana's offer together with shareholders on Monday, 30 October. Sources close to Ceska Banka confirmed the information."

Major Railroad Modernization Planned

95CH0340C Prague LIDOVE NOVINY in Czech 7 Aug 95 p 8

[Article by rez: "The Railroads Are To Compete With the Highways"]

[FBIS Translated Text] Prague—The Czech Republic will not become an integral part of the European railroad net until it modernizes track sectors in four main railroad corridors. These are to be completed around the year 2003. This is evident from materials worked out by the Czech National Railroads.

The Czech Republic could be an important transportation junction, not only between the western and eastern portions of Europe, but also an important connecting link in the north-south direction. That is why it is necessary to increase the capacity of selected lines, modify them to be able to handle operating speeds of at least 160 km/hr, and increase the comfort of travelers by introducing new railroad sets.

Zdenek Semora, counselor of the Transportation Department of the Ministry of Transportation, anticipates that when the Czech Republic joins the European Union the importance of railroad transportation over long distances specifically will be increased.

"Over the next few years, the railroads will be far more advantageous than cargo trucks in transporting freight over distances greater than 350 km," says Semora.

Modernization of lines and stations has already begun in the first corridor in the direction of Decin-Prague-Brno-Breclav, which, after its completion in the year 2000, will become the principal connection between Berlin, Prague, and Vienna.

According to Jan Bazala, director general of the Czech Railroads, 70 percent of the planned 24 billion korunas [Kc] of capital expenses will be devoted to bringing lines into a "normal" state following 50 years of neglect, and the remaining portion of the expenditures will be used for modernization itself.

"The entire corridor is divided into 29 fundamental construction projects," notes Jan Bazala. "At present, we are modernizing a 17-km sector between Uvaly and Poricany and 16 km of track in the Uhersko-Chocen segment. These are thus the first two fundamental projects; the third is the modification of the Poricany station. This year, we expect to begin five other projects."

Just in 1994 prices, the development of the first corridor will consume the previously mentioned Kc24 billion. Nine billion will come from the state budget, state-guaranteed credits from selected international banks will provide another Kc12 billion, and approximately 2 billion will come from unguaranteed credits. The PHARE [Economic Reconstruction Aid for Poland and Hungary] project will then support the projects with Kc1.3 billion.

The second corridor is planned for the area between Petrovice and Breclav and serves the direction of traffic from Austria to Poland.

Because of the mountainous terrain in its northern portion, it will differ somewhat from other high-speed lines, but, nevertheless, according to estimates provided by the Czech National Railroads, passenger transportation in this sector is to grow by 10 percent by the year 2020, freight transportation by 25 percent, and international transit traffic even by 50 percent. The development will be financed in the same manner as the first corridor.

Over the next two years, following approval of appropriate plans by the government, work should begin on the third corridor connecting the German border with Plzen and Prague, where it will tie in to the first corridor. The fourth line will run from north of Bohemia to the south. According to some estimates, the entire investment campaign will require more than Kc100 billion.

The railroad corridors essentially follow the principal highway routes. If railroad transportation becomes adequately rapid and advantageous in terms of price, then it will compete with the automotive transportation of passengers and freight and will deprive automotive transportation of a palpable volume of orders.

According to the Ministry of Transportation, there is pressure by certain interest groups for the government to invest more in the development of the highway net than investing in railroad corridors.

Schenk Questions EU, U.S. Attitude Toward SR

LD3010151395 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 30 Oct 95

[FBIS Translated Text] In reaction to the demarches expressing the alarm of the European Union and the United States over the political situation in the Slovak Republic [SR], Slovak Foreign Minister Juraj Schenk said that, in his view, a different attitude was being adopted toward Slovakia than toward other countries. He said that though every democratic state, including highly developed states, experienced problems, no fears over a threat to democracy were voiced in their case.

He stressed that so far all problems in Slovakia had been tackled in a constitutional and democratic way, and that this would also be the case in the future. Minister Schenk described as irrelevant the warning to respect human rights and the rights of national minorities.

In this context, he emphasized that Slovakia's image in the world was not of the government's making, and that those responsible for it were the opposition and the president, noting that in his 11 months in office he had not once been consulted by the president about foreign policy issues.

U.S.-EU Demarche 'Serious Diplomatic Step'

LD3110161895 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 31 Oct 95

[FBIS Translated Text] The Coexistence Movement considers the demarche delivered to the Slovak Government by the European Union [EU] and the United States an exceptionally serious diplomatic step, which confirms that the political situation and social atmosphere in Slovakia are not in line with European standards and EU requirements.

Speaking at a news conference in Bratislava today, Arpad Duka Zolyomi, the Movement's deputy chairman, noted that this fact could hinder Slovakia's integration into European and transatlantic structures, or even make such integration impossible. Miklos Duray, the Movement's chairman, said that the draft language bill violates the Constitution as well as the Basic Slovak-Hungarian Treaty.

Schenk: Some EU, NATO Members Against Expansion

LD3010161295 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1500 GMT 30 Oct 95

[FBIS Translated Text] In the EU and NATO, there are circles not interested in further expansion of these two groups, Slovak Foreign Minister Juraj Schenk said in connection with the demarches issued by the EU and NATO last week.

Schenk added that, during his recent talks with British and Danish opposition politicians, he found out that, in the interest of pursuing the strategy of delay in accepting other members, these forces would be highlighting deliberately selected issues.

The issue of EU and NATO expansion is a subject of a very serious geopolitical and geostrategic game that allows for various options, Minister Schenk emphasized.

Schenk on Fulfillment of EU Membership Criteria

LD3010212395 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1700 GMT 30 Oct 95

[FBIS Translated Excerpt] Some of you, dear listeners, heard in the noon Radiozurnal today a report on the news conference at the Ministry of Foreign Affairs, where Foreign Minister Juraj Schenk told journalists about his trip to Poland and Denmark. [passage omitted]

Asked whether or not he identifies himself with the viewpoint of the demarche that said Slovakia has not fulfilled the criteria set for an associate member of the European Union, Minister Schenk said:

[Begin Schenk recording] Personally, I do not fully identify with it because there are several criteria there. One criterion is human rights. I think that is a question that is irrelevant in our case. The second criterion is the solution of the problem of national minorities. That is a question that is in a very high stage of solution. It is a matter that was very positively assessed. Of course, I have in mind the signing of the Slovak-Hungarian treaty, the coming ratification, and so on. The third condition or criterion of the Copenhagen document refers to economic affairs and, above all, to creating a market economy. In this respect, I think the current situation in Slovakia certainly cannot give rise to any doubts about the direction of the Slovak economy toward a social market or any other market model. [end recording] [passage omitted]

Schenk Wants Accord With Russia Before NATO

AU3010182395 Bratislava SLOVENSKA REPUBLIKA in Slovak 27 Oct 95 pp 1, 4

[Report by TASR: "Juraj Schenk in Poland on NATO's Enlargement"]

[FBIS Translated Excerpt] Warsaw—In an interview given to TASR during his official visit to the Polish Republic, Juraj Schenk, the Slovak minister of foreign affairs, reacted to Russian President Boris Yeltsin's recent comments on NATO enlargement. Schenk said:

"The recently published study on NATO enlargement does not reckon in the first phase with the deployment of nuclear weapons or NATO troops on the territories of new member countries, be it Poland, Slovakia, or any other country.

"The discussions between President Yeltsin on the one hand and President Clinton or President Chirac on the other take into consideration that the NATO enlargement process cannot be implemented without a strategic agreement between NATO and Russia in the sense that Russia must not feel isolated."

According to Schenk, this agreement should permit the possibility for other countries that have made the sovereign decision to join to do so. The agreement should be strategic in that it would create the conditions for launching the building of a comprehensive system of all-European security, including NATO. The second aspect of the problems on the discussions on NATO enlargement, according to Schenk, is that the issue is becoming an instrument that influences the domestic political situation in Russia in the run-up to the elections. [passage omitted]

Meciar on Trade With Russia, NATO Plans

LD3010174295 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 30 Oct 95

[Interview with Slovak Prime Minister Vladimir Meciar by Martin Dobos; place and date not given—recorded]

[FBIS Translated Text] Prime Minister Vladimir Meciar was to have taken off for Moscow precisely at midday today. During his two-day visit to Russia and the subsequent two-day visit to Turkmenistan, the Slovak prime minister will sign a number of intergovernmental and interministerial agreements.

The following interview with Vladimir Meciar, conducted by Martin Dobos, offers, among other things, an explanation of an earlier report that a Slovak-Russian customs union might be created.

The prime minister first touched on the problems he most wants to discuss in Moscow:

[Meciar] The Russian Republic has taken over the receivables of the former Soviet Union worth $1.3 trillion. The other problem is that the Russian Republic is Slovakia's most important partner in the field of energy and raw materials supplies and cannot be replaced in Slovakia because of the network that has been built.

The so-called [word indistinct], or in other words the gas we were in effect getting for free, ended on 1 January, and now we shall have to hammer out a whole gas management system for 1996 and subsequent years. The construction of Mochovce [nuclear power station] is under way and cannot be completed without Russian documentation. At the same time, Russia is the only country offering to take our nuclear fuel for reprocessing.

Now, when comparing our mutual balance of trade, we can conclude that, even though we have always had an active showing on the Russian market, our trade balance alone is passive, showing a deficit of $1.2 trillion.

Therefore, in order to put its balance of payments right, the Slovak Republic has to negotiate with the Russian Republic on how to do it.

This conclusion, which will outline ways of exchanging goods because the basis for concluding contracts in effect exists, is important for both Slovakia and Russia and will in a certain way affect also our standing and cooperation with Turkmenistan, to which we are interested in supplying goods and investments of considerable size.

[Dobos] What has prompted our side to consider a customs union with the Russian Federation and what (?benefit) would this bring to Slovakia, and possibly even to the Russian Federation?

[Meciar] I am going to say this in precise terms: We shall not be signing a customs union agreement. This issue is under consideration for the time being.

There is yet another matter we are advocating. The balance of trade shows a deficit of $1.2 trillion. This is a relative loss; it is a passive balance of trade [words indistinct]. That is why we want to know where there is a problem, a problem that prevents our producers from selling their goods on the Russian market. One of the answers we are getting is that the customs barriers are too high. We are thus seeking a way of attaining an agreement with the Russian Republic on lowering customs barriers for the Slovak Republic. In this context, there are talks that it should be something like the Central European Free Trade Association, that it should be some kind of special regime or something along those lines. It should be said, however, that it would be premature to speak about a customs union agreement.

[Dobos] To what extent has this idea been developed?

[Meciar] Talks are under way on how to get our goods to the Russian market under more favorable conditions.

[Dobos] Besides these economic packages, are you also going to discuss in Moscow foreign policy issues—namely, Moscow's quite clear and unambiguous position on the integration of Central European countries, including Slovakia, into NATO's structures?

[Meciar] Moscow is well aware of our government policy statement. We are well aware of Moscow's initiatives launched primarily during talks with the United States. We will naturally discuss these matters. I do not expect, and, in fact, I can rule out the possibility of our talks resulting in one or the other side changing its political position.

[Dobos] Does this mean that there is no change in Slovakia's orientation toward the structures of the European Union and NATO, despite certain statements made by your coalition partners?

[Meciar] The Slovak Republic is not going to either abandon or change its aims, despite doubts cast on them from within the state, despite the fact that I discuss them when abroad. It was I who signed all of the important documents on European integration, and everybody knows that I keep my word.

As regards future developments, one thing should be taken into account, and that is the existence of an unambiguous orientation and outline of our country's priorities and aims. The second thing is global relations and talks that have so far not reached a substantial level. They have just started. These things will ultimately determine the geopolitical order in Central Europe.

We have stated our priorities clearly [words indistinct].

Kovac: Ministry Seeks To Limit Foreign Visits

AU3110095195 Bratislava PRAVDA in Slovak 27 Oct 95 pp 1-2

["Excerpts" from Slovak President Michal Kovac's news conference in Bratislava on 26 October following his return from the United States: "From Michal Kovac's News Conference"]

[FBIS Translated Excerpt] [Passage omitted]

[NARODNA OBRODA] During your talks in New York, you received three invitations to pay visits. I would like to ask you whether the Office of the President of the Slovak Republic has enough funds to invite other countries' heads of state to Slovakia—that is, whether you can afford such invitations through diplomatic channels in the first place.

[Kovac] So far, we have not run into the problem of there not being sufficient funds to travel abroad. Of course, this problem can surface in the budget for next year. There will not be any such problem this year because, as you know, the number of foreign trips has been minimal, compared with 1994 or with Hungary or the Czech Republic. However, the volume of funds appropriated for this year would not suffice to intensify foreign travels, be it my trips abroad or visits by foreign partners and heads of state to Slovakia. I suppose we will project into our budget proposal for next year the normal situation in this sphere, which will require a higher volume of financial resources. We have not felt restrictions so far.... For interest's stake, let me tell you that our friends in the EU member states and in the United States are informed even about such details—that is, about cuts in the budget of the Office of the President of the Slovak Republic.

[PRAVDA] Leaving aside the new invitations, there are several planned trips. Let me mention as an example the long-prepared trip to China, for which even a specific date had been set. Is there any coordination with the Ministry of Foreign Affairs of the Slovak Republic?

[Kovac] Yes, but, apart from coordination, there is also possibly, I would say, some activity that should limit, render impossible, or postpone some of my trips abroad. The visit to China, which had been agreed to a long time ago, is a case in point. The reason given for postponing the visit was that the chairman of the National Council of the Slovak Republic went there before me. As far as I know, however, this visit had not been planned and was realized subsequently. I have acknowledged that, given this situation, it would not be appropriate if I, too, paid a visit to China as early as in November. In other words, we do have findings that the normal willingness to cooperate on some invitations, which we know could be realized, is not present on the part of the Ministry of Foreign Affairs.

President Views 'Conflict' With Prime Minister

AU3110092195 Prague PRAVO in Czech 21 Oct 95 pp 1, 4

[Interview with Slovak President Michal Kovac by Pavol Minarik in Bratislava; date not given: "The Conflict Between Meciar and Me Is a Reflection of Our Different Perception of Democracy and Government Power"]

[FBIS Translated Excerpt] [Passage omitted] [Minarik] Do you not think that the campaign against you is aimed at distracting the public's attention from other important things—for example, from the method of privatization?

[Kovac] I think that the main goal of the campaign against me is not just an attempt to distract attention—for instance, from privatization or other important issues—but is aimed at removing me from the political scene as one of the obstacles that stands in the way of certain objectives.

[Minarik] The appeals to you to step down as head of state are being organized from one center and involve other state structures. What do you think of this?

[Kovac] In my opinion, this is a manifestation of the immaturity of Slovak society, but, in the final analysis, the issue involves a power struggle, as some people are saying. So far, I have not taken it like this. I saw it more as a struggle about upholding and promoting certain democratic values in our society. The fact that this campaign is being conducted from one center confirms that there are too many disparate views in our society on the perception of democracy, but mainly on exercising power. [passage omitted]

[Minarik] Have you ever regretted your statement in parliament in March 1994 that eventually led to the dismissal of Prime Minister Meciar?

[Kovac] No, I have not. Even now I think it was necessary for me to warn Slovak society in time of some of the undesirable practices of government that, perhaps, were then just at a rudimentary stage. Only later did it become apparent that they are very dangerous for our society and, in the final analysis, have led to the current situation, in which the public is bitterly polarized, a situation that also causes doubts and concern among our friends abroad.

That my statement was probably not convincing enough or that the time was not ripe for the majority of people to believe that what I was saying was true is another question. Otherwise, I have nothing to regret. After all, we know from history that it is sometimes hard for the truth to be accepted and that there are people in society who put up rather lengthy resistance before they bear it in mind.

[Minarik] Coalition and opposition meetings are again beginning to be organized in Slovakia, and the pronouncements on both sides are becoming ever more caustic. Are you not concerned that a political crisis may erupt?

[Kovac] The question is whether a political crisis has not erupted already. In fact, the culmination of a certain process is associated with every crisis. Positive processes may then evolve from a crisis situation. If what we are experiencing in Slovakia is already a crisis, the beginnings of positive ways out are undoubtedly manifesting themselves in it, and, in the end, positive values will triumph.

[Minarik] In your opinion, why is Prime Minister Meciar always saying that the problem in Slovakia is the president-parliament, the president-government, the president-state, when everyone knows it is his conflict with you?

[Kovac] The prime minister's conflict with me is not personal in the sense that it is a competition over who will have more power, nor is it a conflict involving certain aversions. In essence, it is a reflection of our different perception and understanding of democracy and of exercising government authority under democratic conditions. Of course, it suits Prime Minister Meciar fine if a situation is created in which not only he has "problems" with me, but also parliament and the government—and, as has emerged recently, an insurance company, which is demanding my resignation—have them. Ostensibly, it looks more convincing if the dog in the manger or the cause of all these troubles in is fact the president. [passage omitted]

Daily: EU Demarche Warns Meciar To Respect Kovac

AU3010142495 Bratislava PRAVDA in Slovak 27 Oct 95 p 4

[Commentary by Marian Lesko: "What They Choose We Will Get"]

[FBIS Translated Text] Considering the fact that a demarche is a rare form of diplomatic communication among states, the EU sends them to Slovakia all too often. After the demarche of last November, Vladimir Meciar said that nothing happened because the contents of the demarche were positive. Because governments use demarches to express their attitude toward something negative in another state, this comment earned Vladimir Meciar many teasing remarks. Indeed, the document, which said that the EU was concerned about some phenomena of the political development in Slovakia, was not positive. However, it could have become positive—if the Slovak Government and the parliamentary majority demonstrated that they are serious about Slovakia's application to join the European club and consistently respected its rules. The demarche of the day before yesterday revealed that the EU states do not have this feeling, quite the contrary.

Late last year, it was still possible to hope that the long parliamentary night [of 4-5 November, when opposition representatives were removed from parliamentary supervisory bodies and media councils] was a one-time excess, the consequences of which the coalition would quietly redress. Since then, however, what had been excesses has become a program. The government majority insists that everything it is doing is the implementation of democracy. Its understanding of democracy was best expressed—because it was a Freudian slip—by [Movement for a Democratic Slovakia] Deputy Eva Zelenayova, according to whom democracy is terror by the majority. But it was not words but, first and foremost, the deeds of the government majority that have convinced Western diplomats of the need to remind "us" of the elementary principles of a democratic society. It was not by coincidence that the sentence "the EU attaches great importance to mutual tolerance and respect among individual sources of power within a democratic society" found its way into the Spanish communique on the demarche. Therein lies the gist and core of the disparate understanding of democracy in Europe and in the government coalition. The Ministry of Foreign Affairs can proclaim that "many countries and also some institutions do not get beyond a certain stereotype in relation to the Slovak Republic," but this does not alter the fact that this "certain stereotype" was created precisely by the prime minister.

In his interview for the Polish weekly POLITYKA, Vladimir Meciar said that the president should be a moral authority but should not have executive ambitions. "If two centers of power start to operate, they collide." As is known, the Slovak president's powers are defined by the Constitution. The range of his powers, as laid down in the Constitution, was influenced also by the prime minister. So far, the Constitutional Court has not ascertained a single instance of the president exceeding his powers. If, however, the president exercises his powers in harmony with the Constitution, the prime minister can object to only one thing—that he exercises them differently from the prime minister's wishes. This leaves open only two possibilities: Either the prime minister will acknowledge that "individual sources of power" must respect one another, or he will deprive the president of his post. This second possibility precisely has made the EU "watch with concern possible actions that could be taken against the president of the Republic and that could violate the Constitution and common democratic practices of the EU."

It is impossible to overlook that the demarche refers to "possible actions" that "could be taken." Hence, there is talk about something that has not yet become reality. While the first intervention of November 1994 was a request to redress a completed job, yesterday's demarche warns against what must not happen if the Slovak Republic is not to lose its chance. The parliamentary majority, the government, and the prime minister will thus have to choose. And, whatever they choose, we will get.

Daily: Demarches 'Constructive,' 'Not Hostile'

AU3010133095 Bratislava NARODNA OBRODA in Slovak 27 Oct 95 p 3

[Commentary by Ivan Horsky: "Second Demarche an 'Act of Friendship'?"]

[FBIS Translated Text] What had been whispered by well-informed people in Bratislava, Brussels, and other EU and NATO capitals has now happened. The Slovak Government received from the leading troika of West European integration and the United States a parallel warning that they are very carefully monitoring our domestic development, which, in some parameters, they evidently do not comprehend because it goes beyond the usual understanding of the constitutional situation. At the same time, it is irrelevant what kind of a diplomatic document government officials consider this to be. What are important are the contents, which are not in the least friendly to Slovakia, represented by Meciar's coalition government. At the same time, however, the document cannot be characterized as a priori hostile, even though some people will definitely try to characterize it in that way.

When the U.S. President takes a personal interest in developments in Slovakia and tactfully, in a diplomatic way, but at the same time resolutely makes it clear what kind of values he supports and whom he considers to be their defenders, this should make a big splash in Bratislava. And the same applies to the EU countries, represented by their supreme body, the Commission, responsible, among other issues, for the coordination of foreign policy.

Washington, Brussels, London, Bonn, and Madrid say openly that it was Slovakia and, specifically, Meciar's second cabinet, that showed interest in becoming a full-fledged member of euro-atlantic structures—NATO, the EU, and the WEU [Western European Union]. And Meciar's third cabinet confirmed this continuity.

This is why the expressed criticism, which—and this needs to be emphasized—is for the time being constructive, should not be dismissed by a wave of the hand or be ignored, provided, of course, we really are serious about our proclaimed ambitions. Membership in these organizations is tied to certain conditions, which are an expression of commonly manifested values, values that are also our values (or, at least, have been until now).

It is scarcely imaginable that our administration—or, at the very least, its supreme representatives—are not aware of this. Should, however, this sharing of EU values be feigned and should the heretofore method of interpretation of democracy continue, our partners have a whole range of possible ways of reacting to this, possibilities arising from the network of agreements and treaties that Slovakia has concluded with them. This is not a threat on their part but preventive diplomacy designed to warn that something in our country is not in order.

Slovakia itself must decide what it actually wants. The preparatory period that the EU and NATO had placed at our disposal so that we can adjust to coexistence within a larger community was not a purpose in itself. It was, and is, a step toward molding intentions into reality, the preparatory phase for full EU and NATO membership, so to speak.

The EU and NATO are, essentially, clubs that choose their members. One cannot join them like one joins a village fire brigade. And they have their criteria, which are not as lightweight as some people might think. And, given the growing number of candidates for membership, these criteria will probably be getting more difficult, rather than easier, to meet. It should, therefore, be in the interest of every aspirant—and Slovakia, along with the other associated countries, is still in that position—to strive to make up for his delay as soon as possible and to gradually assimilate those criteria.

The two demarches can thus be characterized, to use traffic light terminology, as an amber signal warning against a possible collision at the crossroads if the driver does not pay attention. Being shown the red light would be very bad indeed.

In that case, it would be better to ask citizens in advance whether they agree with the change because this matter affects everyone, not just the voters of coalition parties and coalition miniparties.

Commentary on Demarches Urges Parliamentary Debate

AU3010145195 Bratislava SME in Slovak 27 Oct 95 p 4

[Commentary by Juraj Hrabko: "Demarche Hunter"]

[FBIS Translated Text] EU representatives have once again demonstrated uncommon interest in Slovakia. The EU mail, delivered by top EU diplomats to the Slovak prime minister, is no message of congratulations on the successes of his policies. And it is completely irrelevant that, through his spokeswoman, the prime minister later announced "it was not a demarche but an EU communique" and, even later, that it was an "aide-memoire" [French term used]. It is just as irrelevant that, in the communique of the EU Presidium, the text is expressly referred to as a demarche. The dispute over the form is misleading. What matter are the contents and what is hidden behind the diplomatic vocabulary and between the lines is even more important.

Slovakia has already had experience with a demarche, with a personal letter from U.S. President Bill Clinton, with some unpleasant statements by the U.S. Embassy in Slovakia, and with several negative, officially expressed statements by British politicians, such as [Ambassador to Slovakia] G. Harborne and Malcolm Rifkind, and a number of other Western politicians. Likewise, however, it has had experience of statements by politicians from the east, with frequent mutual visits, and with secret meetings with them. Most important of all, however, it has had experience with the statements and practical steps of its domestic politicians from the government coalition, who, after the parliamentary elections, have been steamrolling the country below the Tatra Mountains.

It is not by coincidence that the first information on the nature of the European visitors' call on the prime minister was to be issued in Brussels and Madrid. At the same time, the composition of the text is apparently unchanging—words of appreciation, followed by words of hope and words of concern. It is not by coincidence that, one day before the EU delegation's visit, U.S. Ambassador Theodore Russell called on the chairman of the National Council of the Slovak Republic and, again not by coincidence, set right the piece of misinformation that the Slovak side published on that meeting. It is not by coincidence that Michal Kovac returned from the United States with a message of thanks from the U.S. President, while Vladimir Meciar had returned from his U.S. visit "like a damp duck in a thunderstorm." And, finally, once again by no coincidence, all of these Western activities took place on the eve of Vladimir Meciar's visit to Moscow.

The collection of demarches should trigger, without delay, a parliamentary debate on the foreign political orientation and the foreign policy of Slovakia, which naturally proceeds from domestic policy. It is, after all, absolutely sick when one government coalition party raves about Slovakia's neutrality, the second about how unnecessary it is for Slovakia to join European and transatlantic structures, while the third, brandishing the government's policy statement, is hunting for demarches. One parliamentary night is enough to erect the pillars of democracy, just as it sufficed to bring them down. We simply do not intend to heed Vladimir Meciar's then recommendation: "The elections are over, get used to it."

Commentary: 'Domestic Gossips' Origin of Demarches

AU3110100795 Bratislava SLOVENSKA REPUBLIKA in Slovak 28 Oct 95 p 3

[Commentary by Jergus Ferko: "Concert of Raised Fingers"]

[FBIS Translated Text] Both the start and the end of this week were marked by fingers raised in admonition of the misbehaving Slovakia to indicate that not everything here is in accord with the prescribed Western order. U.S. President Bill Clinton and the EU share concerns that are practically identical to those that have not let the Slovak opposition and President Michal Kovac sleep since the last elections. The more obvious the economic achievements of Meciar's government and the more stable the situation in society become, the stronger these concerns are. Moreover, some of the concerned Slovak people like to travel and ostentatiously wash our dirty laundry before the entire world. At the same time, they are modestly quiet about their own share of responsibility for the stains. The vocabulary used in the diplomatic scolding of Slovakia clearly testifies to the domestic gossips being the origin of the information and also the inspiration behind it. The three-year-old Slovak Republic is too small to dare to express its concern over the crisis phenomena in the established democracies of the European Union, like the corruption scandal in the highest echelons of NATO, three years of bomb terrorism in Great Britain, or the political instability in Italy, not to speak about the Mafia in the latter country. In this respect, the only Slovak citizen who can be concerned is one who wonders why our Western friends kept quiet—for instance, when our president deserted the coalition to join the opposition or when the suspicion was published that he was receiving information from former Slovak Information Service Head Vladimir Mitro on the shadowing of the constitutional officials, Vladimir Meciar and Ivan Gasparovic. Nevertheless, using unequivocal irony or ignoring the raised Western fingers would not be appropriate. One thing is the reason, and another the result—it is the latter that must be assessed with all seriousness as feedback, as a testimony that Meciar's government is running into the old-new problem of creating a positive political image (history is repeating itself). Not only should the bosses of the Slovak diplomacy reconsider this, but also their partners from the Association of Workers of Slovakia and the Slovak National Party, who literally do a disservice to Meciar with their statements.

The renowned trio Duray-Bugar-Nagy went with its already traditionally hurting raised finger to neighboring Hungary. Namely, on 24 October, the Slovak Government approved the long-awaited bill on the state language. Several hours later, which testifies to good coordination and well-traveled paths, complaints were made in Budapest. Fortunately, the pragmatist Prime Minister Gyula Horn knows with whom he is dealing and therefore takes this notorious flow of grievances with a pinch of salt. Nevertheless, the Slovak side should no longer hesitate with the ratification of the Slovak-Hungarian treaty, even if the treaty is not ideal. The emergence of a new party called the "Hungarian People's Movement for Reconciliation and Prosperity," which clearly advocates loyalty to the Slovak Republic, is a new hope for Slovak-Hungarian coexistence.

Among the events of last week is the 4th Congress of the Social Democratic Party of Slovakia (SDSS), where the new current within the party—called the Revival of Social Democracy (OSD), and represented by former Movement for a Democratic Slovakia member Ivan Laluha—could not make a significant imprint on the congress. The OSD received the support of a third of the delegates.

The case of fraudulent Democratic Union petition sheets came to a conclusion yesterday. Only three days ago, Investigation Commission Chairman Dusan Macuska offered to sacrifice his own political career. It will be interesting to see how the Democratic Union bosses will act now that the opposite of what they were trying to convince the public over the past long months has been proved. After all, the most important aspect of this scandal is the moral one.

Thus, the last week was literally a concert of raised fingers—both diplomatic and moral ones. Those who helped to raise the diplomatic fingers are undoubtedly pleased with their skillful way of torpedoing Meciar's government. They did not grasp the idea that the raised fingers are our common loss. Even for those with an opposition viewpoint.

Comment Criticizes 'Concern' Shown in EU Demarche

AU3110124595 Bratislava SLOVENSKA REPUBLIKA in Slovak 28 Oct 95 p 3

[Commentary by Miroslav Sasky: "Touching Care"]

[FBIS Translated Text] A troika of EU ambassadors expressed "vigorous" concern over the current tensions between institutions in Slovakia. While I am not quite sure of the difference between a vigorous and a lethargic concern, I find the care of the unholy trinity very touching. It is a pity, however, that it does not show a similar concern for happenings in other states, and that it began to notice Slovakia only now, and not in March 1994, for instance. If that were the case, the sincerity of its concern would be much more convincing.

At the time Slovakia and its untouchable president are becoming the center of attention of the united world democrats, France is happily conducting its hocus-pocus nuclear tests, a Pacific atoll is quietly disintegrating, fish are dying with a silent cry, and the environment is lamenting. All of humanity is threatened, and not just the presidential seat in a small state. Nevertheless, neither vigorous nor lethargic concerns are addressed to the rich heirs of Napoleonic aggressiveness. The EU ambassadors may have the impression that boycotting French Beaujolais is a sufficient admonition and punishment. They do not care at all that it is peaceful wine growers who suffer as a result of the boycott, while the billions-making arms manufacturers only laugh at such a measure. The government is also happy because these are French issues, and their friends would not interfere in their internal affairs. Why do they not hesitate to confront Slovakia? Is it because, over the past millennium, this country got used to counsel, concerns, and directions from various "well-meaning" patrons?

Slovakia attained its sovereignty. It should prove now that it really is a sovereign state and does not have to (pardon my language) change its diapers as soon as one of the EU ambassadors raises his finger. There is one more thing. It is at least worth pondering whether it is useful for Slovakia to rush into the EU at breakneck speed. It is not even there, and it has problems already. It could very easily happen that, by joining the EU, Slovakia will again lose its newly acquired sovereignty and have to dance to the tune of those with more power. Do we want that?

Hungarians To Protest Language Bill at CE

LD3010220295 Budapest Kossuth Radio Network in Hungarian 2000 GMT 30 Oct 95

[FBIS Translated Text] The parliamentary deputies of Coexistence, the [ethnic] Hungarian party in Slovakia, will meet the secretary general of the Council of Europe [CE] to complain personally about the language bill that has been put on the agenda of the Bratislava [Pozsony] parliament. According to the protesters, the representatives of the Hungarian community have not been involved in the preparation of the legal regulation, despite the prime minister's promise.

Coexistence's announcement has displeased the other two parties of the Hungarian coalition in Bratislava, the Hungarian Christian Democratic Movement and the Hungarian Civic Party. Until now they had been under the impression that the three Hungarian parties would send a joint delegation to the Strasbourg headquarters of the CE.

EU Head on Speedier Hungarian Integration

LD3010195095 Budapest Kossuth Radio Network in Hungarian 1700 GMT 30 Oct 95

[FBIS Translated Text] The Spanish prime minister [Felipe Gonzalez], who is currently president of the EU, has raised the possibility that Hungary's joining the EU's programs may be speeded up and that the Hungarian request for additional loans will be examined. Felipe Gonzalez informed Gyula Horn about this in a letter. The Spanish prime minister praised the Hungarian Government's efforts for European stability, stressing the significance of the Basic Treaty with Slovakia. Felipe Gonzales will find the signing of a Romanian-Hungarian Basic Treaty equally important as well, says the letter sent to the Hungarian prime minister.

Horn Highlights 'Fast' Economic Turnaround

MS3110101295 London FINANCIAL TIMES in English 31 Oct 95 p 2

[Report by Anthony Robinson and Virginia Marsh, including interview with Prime Minister Gyula Horn on 30 October: "Tough Medicine Puts New Life in Hungary"]

[FBIS Transcribed Text] Budapest—Six months ago, Mr Gyula Horn, Hungary's Socialist prime minister, faced up to the harsh reality of impending economic crisis. He appointed two highly respected bankers to top positions, accepted the need for quick action, and braced himself for a political bruising.

Today, he is in London for talks with British politicians, and his finance minister, Mr Lajos Bokros, is meeting City investors, both of them confident that the economy is enjoying a remarkably fast turnaround since emergency action was taken in March.

That package devalued the forint by 9 per cent, imposed an 8 per cent import surcharge and cut government spending. It was announced within 12 days of Mr Bokros's appointment and the return of Mr Gyorgy Suranyi as central bank governor.

The balance of payments and public finances are already looking much healthier. But the electorate is feeling the pain, many in the Socialist party feel betrayed and a bad-tempered congress looms within four weeks. Mr Horn's predicament will be immediately recognisable to Mr John Major, his UK counterpart, who is much further down the track with a similarly joylest economic recovery.

While Mr Major faces a general election within 18 months however, Mr Horn, one of the great survivors of central European politics, heads a Socialist-Liberal coalition which holds 72 per cent of seats in parliament and does not face elections until 1998.

The former Communist who helped turn the party's reform wing into a social democratic party, dithered for months after taking office last year. Foreign investors lost confidence in the face of soaring budget and current account deficits, delays in privatisation and mounting inflation.

Since March, however, he has demonstrated a determination to press ahead with the structural reforms needed to consolidate the export and investment-led recovery which followed. "We are not taking these tough measures in order to please the International Monetary Fund but because we know that they are in our own interest. If we do not cut spending on social programmes and make savings, we will not be able to curb inflation, and our internal and foreign debt will continue to rise," he said in an interview yesterday.

This was the uncompromising line which he spelt out to Socialist MPs over the weekend. "There are serious tensions in the party and a lot of unhappy people. There was a lot of grumbling. But at the end of the day the overall majority agreed there was no alternative," he said.

What helped carry the day were the figures showing the size of the turnaround. The budget deficit, which reached 9.5 per cent of gross domestic product last year, is expected to fall to 6.5 per cent this year and to 4 per cent or less in 1996. The current account deficit will drop to less than $3bn this year from $3.9bn in 1994 and fall to around $2bn in 1996. Above all, the turnaround has been achieved without sending the economy into recession. "Economic growth has not stopped. We expect 2.5 per cent GDP growth this year and no less than 2 per cent in 1996," Mr Horn said.

The main reason for the unexpectedly smooth change in the macro-economic picture, according to Mr Suranyi, is a 30 per cent rise in labour productivity over two years. "The economy has shown a high degree of responsiveness to market signals. The speed of the response surprised me."

The domestic economy, overheated last year and sucking in imports at an unsustainable rate received two sharp blows from the March package. "The budget deficit fell from 10 per cent of GDP in the first quarter of this year to 3.5 per cent in the third quarter. At the same time, real wages have fallen by 7-8 per cent this year," Mr Suranyi said.

But strong direct foreign investment inflows, higher productivity and a devalued currency have improved the competitiveness of Hungarian exports. With investment running 7 per cent above 1994 levels and exports 18 per cent higher than in the first three quarters of this year, Hungary is enjoying an export and investment-led stimulus to compensate for the decline in domestic demand.

Mr Horn says the main challenge now is to complete privatisation by 1997, and sell off the electricity, gas and telecoms utilities. This would leave 85 per cent of the economy in the private sector, a real testament to the scale of Mr Horn's conversion to the virtues of a market economy.

Officials Comment on Fighter Plane Purchase

LD3010234095 Budapest Kossuth Radio Network in Hungarian 1730 GMT 30 Oct 95

[FBIS Translated Excerpt] Griffin—it is possible that this bird will be chosen to be the Hungarian Air Force's symbol. At least this was proposed by Peter Wallenberg to Gyula Horn a month ago, that is to say, to buy JAS-39 planes, that is Gripens—which means griffins—to replace the outdated MiG-21's. In return for this, the Swedish giant would bring capital to Hungary. As a result of this, today a Swedish plane arrived at the military airport of Kecskemet for an air show.

However, there is already someone who opposes the deal. Jenoe Poda, deputy of the Hungarian Democratic Forum and also a member of the National Assembly's Defense Committee, said yesterday: We should not buy Swedish fighter planes, because this is a newly developed military product, in which the agonizing Swedish military aircraft industry, fighting for its survival, has not managed to sell even one.

Meanwhile, a short while before our program, experts from the U.S. producers of F-16 fighter planes and the U.S. Air Force arrived in Budapest. [passage omitted]

Whatever the outcome of the decision will be, it is a fact that we are talking about an enormous business—almost $1 billion, that is 135 billion forints at current exchange rates. This sum is equal to the sum the Bokros package [the government's austerity package] is planning to take out of our pocket.

Now you can hear interviews made by Peter Marvanyi about the background of the Hungarian fighter plane purchase.

[Begin recording] [Passage omitted] [Marvanyi] Let us see how one of the commanders of the Air Force is thinking about the required new fighter plane. At this level the selection of a suitable plane is a strategic question. Brigadier General Istvan Bako, deputy chief-of-staff of the Hungarian army's Air Defense division and commander of the Air Force:

[Bako] There is a need for an aircraft type that can carry out air defense tasks, that is activities against various air attacks in the airspace; attacks against ground targets, support for ground forces; as well as reconnaissance tasks. Since Hungary has a small Air Force at the moment—this can also be expected in the future—it is necessary that all these tasks are carried out by one aircraft type, one type only. These are generally the third or fourth-generation planes, the electronics of which makes it possible that by pressing a button the pilot in the cabin can transform the computer system, the weapons' targeting system, from attack against air targets to attack against targets on the ground or to reconnaissance tasks. It is the computer that solves the problems that had to be solved by the pilot in an earlier type.

[Marvanyi] [Passage omitted] The new multifunction aircraft, however, have to be so modern that they should be suitable for service by the middle of the next century. Lieutenant Gen. (Nandor Hollosi), the head of the Hungarian army's financial-technical development, is speaking about long-term conditions, which will be the basis for inviting tenders.

[Hollosi] We would like to get a fighter plane that represents a fourth-generation technological level, that is to say, a plane of the next millennium. We would like to have a plane that will be in production around the middle of the next decade because it will have to replace further aircraft. By that time the replacement of MiG-29's might also be due. In this case, it is expedient to supply the obviously not too large aircraft we will have in the middle of the next millennium with the same type of aircraft.

[Marvanyi] At this point, both in the short- and long-term, money, the question of costs, will have to have a say. The agreement signed with the Wallenberg group has practically determined Hungarian needs: The purchase of planes will be offset by Hungarian producers' participation in production and exports of Hungarian products, for example, foodstuffs. Imre Mecs, chairman of the Defense Committee:

[Mecs] In the future, only those bids can be taken into consideration that are similarly advantageous or even more advantageous than the one concluded with the Wallenberg concern. In this context, this is not simply a military deal or a purchase of military products but the development of industry and trade. Now a competition has started and we hope that, not only the Air Force, not only the Hungarian army, will benefit from this, but Hungarian industry and trade, as well. In this way, in a complex way, this is a manageable idea.

[Marvanyi] Experts—soldiers and politicians—have been drafting the invitation for tenders over these days and months. The publication of the invitation for tenders is expected next summer and the decision is expected to be taken by the end of 1996. The reason for such a short period can be explained by the fact that on the basis of preliminary information, only those companies that can certainly fulfill the conditions will be invited to bid. Lt. Gen. Nandor Hollosi.

[Hollosi] We might have the impression that there are a lot, or at least more, fighter planes to choose from. However, if we know exactly what we want and insist on it, this fact limits the number of possible bidders.

[Marvanyi] Are you not afraid that it will be said that the bid is tailored to what has been offered by one of the bidders.

[Hollosi] It can always be said but there are companies that offer planes that represent the present technological level. There are companies whose offers point to the next century. If we say that we are only interested in those companies, the products of which point to the next century, it can be said that the invitation for tenders was tailored to them because only these few companies can meet the requirements. [passage omitted]

[Marvanyi] Can foreign political points of view influence the decision? According to foreign affairs spokesman Gabor Szentivanyi, our need to join NATO determines that the future fighter plane should be compatible with NATO systems, although this does not necessarily mean that the plane itself should be a NATO country's product.

I have also asked Gabor Szentivanyi about other reservations. There are some who fear that if the Hungarian Air Force obtains a very modern military technology, it might lead to worries in neighboring countries.

[Szentivanyi] I do not think that anybody should worry about the Hungarian army's modernization and reform. Armies are never looked at on their own, but in the context of politics. Hungary clearly pursues a policy of good neighborliness and has no enemy image. Hungary is trying to become a member of the EU and NATO, which is trying to develop the region's stability. The Hungarian Air Forces' future modernization, the replacement of the planes, does not spell any danger or threat on our neighbors or any other country. It is aimed at the country's defense, and by doing this we are trying to comply with requirements arising from our possible NATO membership. [end recording]

Sweden's Carlsson Joins Effort

96P20030A Stockholm SVENSKA DAGBLADET in Swedish 25 Sep 95 p 46

[Article by Sune Olofson: "Work of Art With Payback"]

[FBIS Translated Text] (Budapest) "The JAS-39 Gripen is a work of art. We have seriously interested in purchasing around 30 aircraft, and we have high expectations regarding Sweden, following the Wallenberg Group's promises of investments and aid in developing Hungarian industry."

This emerges from a conversation with Imre Mecs, Chairman of the Hungarian National Assembly's Defense Affairs Committee, Tibor Toth, Permanent Undersecretary in the Defense Ministry, and Ferenc Toth, Chief of the Defense Ministry's Materiel Acquisitions Unit.

"If the technical and military evaluation of the JAS-39 Gripen comes out well, we would be prepared in February next year to go further in negotiations on conditions regarding a possible purchase. However, the internal Hungarian political process regarding this issue is still ongoing, and a decision to purchase has not yet been made. We are also going to evaluate other planes, and we may get a better offer," asserted Tibor Toth.

Mecs, who is an influential expert on defense and an electrical engineer by profession, pointed out that Hungary is seeking a powerful and versatile aircraft system.

"Hungary is a small country, and that plane would be able to perform several different types of missions in a modern combat environment, and there is no doubt that the JAS fits well with our goals. Sweden is the first country that offered us a package deal to include both an aircraft system and an industrial cooperation deal that would possibly result in thousands of jobs. If this can at the same time guarantee our future security, then everyone realizes that the Swedish offer is tempting," said Mecs, who is aware that such a high-technology plane as the Gripen also would require an expensive minimal of radar stations, communications equipment and the Air Force's command and control center.

Common Solutions

"The entire technical level in our Air Force must be raised. Likewise, education and training in Sweden would be required for our combat pilots. But I am convinced that we can cooperate and find common solutions with Swedish experts."

Within as early as a few weeks from now, a Hungarian technical group will commence a detailed military evaluation of the 39 Gripen in Sweden. Colonel Ferenc Toth will be included in the group. As head of the Defense Ministry's Material Acquisition Unit, his word carries a lot of weight, and he is obviously impressed with the 39 Gripen.

"It is a fantastic airplane, a high-technology work of art. But it is expensive, and Hungary is a poor country. However, we have received a unique counterpurchase deal and an offer of industrial cooperation with Sweden, which will likely strengthen our possibilities of paying for the plane."

How then does Ferenc Toth assess the competition from the U.S. if Hungary moreover achieves NATO membership?

"The Americans until now have not demonstrated any great interest in selling aircraft. We have certainly received an offer regarding used, older-model F-16 aircraft, but we are not especially interested in this. Nor in the F-18, which we regard as being all too large and expensive for Hungary. But it is possible we will be able to evaluate the latest version of the F-16 and the French Mirage 2000.

"Promising" Offer

Mecs, who already two years ago had a meeting with SAAB board chairman Anders Scharp, characterizes the Wallenberg enterprise's offer for investments and assistance with industrial development as "promising." In November, Mecs will travel to Sweden on invitation of the Riksdag, and will then look more closely at the JAS.

"Preliminary talks show that the Wallenberg Group is seriously interested in investing in Hungary, and we have noted with pleasure the wide support of Swedish businessmen in Budapest when the [preliminary] agreement between Hungary and SAAB was signed on 13 September," said Mecs.

Within three years, most of the Russian combat plane types, the MiG-21, MiG-23, and Su-22, will have been retired from the Hungarian Air Force. Defense Ministry plans include making a decision by the end of 1996 on the purchase of new planes, and delivery commencing in 1998-99.

In 1989, before the dissolution of the Warsaw Pact, Hungary had 154,000 soldiers in its armed forces. By 1995 this figure had dropped to 98,000, and in 1996 it will be down to 60,000. To this figure should be added from 15,000-20,000 men in the police-military border forces.

"Our goals are connected with overall trends in Europe—a significantly smaller but more well-honed defense," asserts Mecs, who in 1956 during the Russian occupation was imprisoned and sentenced to death. But he survived and today is fighting for full Hungarian integration with the EU and NATO.

"We have bitter experiences of how it is to be isolated and shut off from the rest of Europe, and this must not be repeated," says Mecs.

JAS on Way to Becoming Urgent Matter for the Swedish State

Selling the JAS-39 Gripen will be an urgent matter of state. After the failed JAS deal with Finland three years ago, SAAB contacted the Defense Ministry and proposed a joint effort for marketing and selling of this Swedish fighterplane the world over.

SAAB's goal is on the way to becoming fulfilled. In advance of a possible JAS deal with Hungary, Prime Minister Ingvar Carlsson wrote a personal letter to counterpart Gyula Horn, and now the Swedish Credits Guarantee Agency has recently received a request from SAAB regarding state credits for helping Hungary to pay for approximately 30 planes, a deal worth between five and seven billion kronor.

A preliminary marketing study has found that from now until the year 2010, the countries that are potential customers for Swedish military equipment exports will be replacing around 1,700 combat aircraft. SAAB expects to do battle to take home contracts for at least 500 of these deals, which would be worth an approximate total of 110 billion kronor. If SAAB is successful in this, it would be a significant contribution toward lowering the selling price for a possible third JAS production series, and continuing development of the plane and the Swedish aviation industry. The 14O JAS planes that have been ordered so far will secure employment at SAAB until, at the latest, the year 2003.

In conversations with the government three years ago, SAAB's assumption was that an aircraft manufacturer's competition would not be mainly with other companies, but with countries. U.S., British, and French aviation industries have an entirely different support from the state than what the Swedish aviation industry has received so far. SAAB did not succeed in selling a single Viggen aircraft abroad, only used Drakens have been sold to Austria and Finland. [Denmark retired the last of its Drakens this year.]

Successful British Model

SAAB marketing director Jan Hmmarstrom wanted to form a coordinating and referral group, the members for which would be taken from the Defense Ministry, the aviation industry, the Armed Forces Materiel Acquisition Administration, the War Materiels Export Inspectorate, and the Air Force. His model was the successful British export organization, the DESO (Defense Export Sales Organization), and also at stake is the uneasy question of whether the overall Swedish aviation industry can survive without a more positive state policy.

The idea was that such a group—a type of state plow—would propose and prepare marketing, political measures and interstate guarantees. A contract for combat planes can run up to 30 years, demanding delivery guarantees of, for example, spare parts—regardless of political changes in the countries in question. Companies can hardly give such guarantees.

But such a group was never formalized. In the Defense Ministry there existed fundamental doubts regarding how far the state should go in supporting individual companies. If the state places itself behind SAAB in selling of combat aircraft, should it also then help Volvo sell its trucks, Kosta its glassware, or Kalle its caviar? Also weighing in this consideration was sensitive opinion regarding export of military equipment.

With a Swedish defense establishment that is downsizing, the government and Riksdag are confronting two alternatives: to increase our own exports and cooperate with those international companies who can reexport Swedish products, or to accept that a significant element of our defense industry will be shut down.

In the thinking of the defense commission, and in the defense bill to be made public on 5 October, it states clearly that it "is important" that the government and Swedish officials support "in an active manner" the defense industry's export efforts. This in the first place applies to marketing of combat planes, naval surface vessels, and submarines. In large contracts, the state could assist with compensation deals, so-called offsets, and industrial cooperation with the countries in question. Such an approach is also underway in Hungary, where the Wallenberg Group initiated a broad offensive.

Prepared To Open Doors

Defense Minister Thage G. Peterson has on several occasions said that he personally is prepared to open doors for the defense industry, and that this specifically applies to SAAB's JAS aircraft and Karlskrona Shipyard's Surface Combatant 2000. This message has not been received with pleasure by the Social Democratic Party's left wing, but both Peterson and Prime Minister Carlsson perceive themselves as friends of defense, despite proposing a near-term 10-percent reduction in annual defense appropriations.

MSZP Leader on Activity in National Assembly

AU3110104495 Budapest NEPSZABADSAG in Hungarian 27 Oct 95 p 9

[Interview with Imre Szekeres, deputy MSZP chairman and head of the MSZP group in the National Assembly, by Tibor J. Keri; place and date not given: "The MSZP Center Is Not Made Up of Hajos People"]

[FBIS Translated Excerpt] [Passage omitted] [Keri] There are 149 deputies in the group of the Hungarian Socialist Party [MSZP] in the National Assembly, and their interests, as well as the interests of their voters, often directly oppose the prevailing efforts of the government. In such a situation, how long can the unity of the group be maintained? Is the MSZP group in the National Assembly united at all in supporting the government?

[Szekeres] I doubt that the voters are united in opposing the changes the government has decided to carry out. In my view, society is much more complex and multifaceted today, so individual measures do not affect every group in the same way. In order to understand the current events, one must declare that the change in the regime has not been completed yet.

The political change took place without any major social upheaval in 1989-90, although this change promised to be the most difficult one. The restructuring of ownership relations has been fraught with much more tension. However, the reorganization of social, educational, and health-care systems that directly affect everyday life, as well as the reduction of the role of the state seem to be the most difficult tasks. In these areas, the change in the regime has just begun with the recent stabilization package.

I think that the previous governments lacked the political courage and responsibility to start this process under the more favorable conditions prevailing at the time. I am convinced that, in a governing position, the social-democratic party can carry out the necessary changes with less social damage than any other party.

We must carry out this task. This leads to debates within the party, too, and this determines the public mood in society. Therefore, we must now decide on what can be regarded as a social-democratic program: providing assistance to everyone, or only helping those who are in need? In my opinion, the latter is the correct solution. Society will understand this, because people already accept the need for change. In that case, the party and its parliamentary group will not have an identity crisis and will not disintegrate.

[Keri] How united is the MSZP group in supporting the government?

[Szekeres] The MSZP group is not uniform, and it would really be strange if it were uniform, at least at the beginning of debates. There are three different interest systems in the MSZP group. One is within the framework of the party but represents different political trends that have different formulations on the ways to solve the problems. Then, we have the so-called territorial and professional interests, like those of agriculture, health care, or education. Therefore, there is a debate on almost every issue, but if we can agree on a given solution, we also coordinate this with the government. The MSZP parliamentary group supports the government by also influencing its decisions.

[Keri] Do you see any chances of legislating the media law this year?

[Szekeres] Yes, I do. The leadership of the MSZP group in the National Assembly and the prime minister will discuss the list of bills the National Assembly should legislate in the coming months, bills that are essential for the functioning of the country. In my view, the budget, the tax law, and the laws connected with state administration, media, national defense, and military service should head this list.

[Keri] What is your opinion about the platforms within the MSZP? In your view, which of them can be regarded as the party center?

[Szekeres] The MSZP emerged as an alliance of platforms in 1989. There are a lot of people in the party, including myself, who do not belong to any platform, because we think that there are acceptable values on every platform. In my opinion, the overwhelming majority of the MSZP leaders belong to this group. Therefore, I think that neither platform forms the party center. [passage omitted]

[Keri] What is your opinion about separating the position of party chairman from the position of prime minister, and about the possible creation of the position of deputy party chairman?

[Szekeres] I often declared that, irrespective of personnel considerations, I think the correct thing is to have the party chairman also function as prime minister. This way, the prime minister can get adequate political support and this way the party can best affect the government decisions. The idea of creating the position of deputy chairman emerged last year, but many things stockpiled on this idea, totally independently from the intention of many of us. As the party congress has already decided on this issue, and the proposal did not receive the necessary majority, in my view, it is not correct to again deal with this organizational solution.

Izetbegovic Explains 21 Peace Negotiating Points

AU3010163895 Ljubljana OSLOBODJENJE (Europe Edition) in Serbo-Croatian 26 Oct-2 Nov 95 p 3

[Report on a speech by Bosnia-Herzegovina President Alija Izetbegovic at a meeting of the SDA's Executive Committee in Fojnica on 20 October: "An Integral and Sovereign Bosnia — Through Negotiations or War!"]

[FBIS Translated Text] At a meeting held on 20 October in Fojnica, the Party of Democratic Action's [SDA] Executive Committee considered the military and political situation in the country, the implementation of the Federation of Bosnia-Herzegovina, and some personnel changes within the party.

The introductory speech was made by Alija Izetbegovic, the president of the Presidency of the Republic of Bosnia-Herzegovina and leader of the SDA, who explained to the members of the Executive Committee the 21 starting points on which definite positions have to be formed and, based on these, the negotiating platform for our negotiating team. These are as follows:

1. Our objective is the preservation of a sovereign and integral Bosnia-Herzegovina. This objective can be achieved through military or political means. We believe that we have reached a point at which the war could be ended and the rest of the way to a sovereign and integral Bosnia-Herzegovina could be continued through political means. The forthcoming peace negotiations are a test as to how justified this expectation is.

2. The integrity of Bosnia is guaranteed by the central institutions and central functions of the state. Those institutions are, among others, the Assembly, the Presidency, the government, the Constitutional Court, and the Central Bank, and its functions are: foreign affairs, defense, the protection of human rights and freedom, citizenship, protection of the external borders, communications, currency, customs and international trade, the budget, and financing at the state level. The Serb side is going to do everything to reduce the number of central functions. Our interest is, of course, the reverse.

3. In the situation as it is, bearing in mind that the central authorities will probably be based on parity, the main problem is the danger of the functioning of central institutions being blockaded through the use of the veto. We need a state that functions, and we must not allow the 1991 and 1992 situation to reappear, when, because of the practice of consensus (veto), no decisions of essential importance could be made. We need (1) an integral Bosnia, but also (2) a state that can function. It seems that these two requests are contradictory and the question is how this knot can be disentangled. Some propose decisionmaking through a majority vote, but then there is the real danger of two sides reaching an agreement against the third, which could also be the Bosniak side. The solution may lie in a deblockading mechanism. A decisive role would probably be played by the Constitutional Court, which would in this case also include several foreign judges. In any case, the kind of decisionmaking and the possibility of a blockade on it remains the crucial question for Bosnia as an integral state.

4. An important step in the reintegration of Bosnia is the Bosniak-Croat Federation. However, it is not functioning. The formation of the cantons is proceeding slowly or not at all. The Federation Government in fact only governs part of the territory of the federation, i.e. the part under the control of the Bosnia-Herzegovina Army. The part of Bosnia controlled by the Croatian Defense Council [HVO] is still governed by the government of the so- called Herzeg-Bosnia, and there are no indications that they intend to dissolve it. Because of this, the formation of the mixed federal police force and the return of the refugees are also stagnating and freedom of movement is limited in many places.

Therefore it is necessary to make another effort to complete the implementation of the Federation, because this is a vital interest of ours.

5. The Contact Group map is still valid, if we do not agree to changes. We will not give up Gorazde or Brcko and we have clearly told that to the U.S. mediators several times.

6. As for Sarajevo, we have several variants, but all these solutions are based on the concept of an integral, undivided city.

This, together with the problem of the central functions, is certainly the "hottest" topic in the negotiations.

In relation to that, it would be advisable immediately to start with the reorganization of the city of Sarajevo, by forming the Sarajevo district, according to the provisions that, under the Federal Constitution, are valid for the forming of cantons.

Therefore, we must be very careful, and choose the right degree and dynamics for transferring jurisdiction from the municipalities to the districts. The Federal Constitution does not demand any imperative or automatic loss of power of the municipalities and allows more flexible solutions in that respect. The transfer of jurisdiction from the municipalities to the cantons must be moderate and gradual.

7. The peace agreement, if it is signed, can be enforced only with the help of strong international forces. These

cannot be UNPROFOR [UN Protection Force]. They can only be NATO forces, possibly with some troops from other friendly countries. In the event that Russia offers troops, their number should correspond to the number of troops from the Islamic countries.

8. Troops for the implementation of peace should be distributed in garrisons throughout Bosnia-Herzegovina. For us it is not acceptable for them only to be distributed along the separation lines.

9. The financing of troops from Islamic countries should be the responsibility of the United Nations.

10. The international military forces for the implementation of peace cannot hinder the liberating efforts of the Bosnia-Herzegovina Army.

11. The forces for the implementation of peace can remain on the territory of Bosnia-Herzegovina for one year, and longer only at the request of the Presidency.

12. Units of the Army of the Republic of Croatia may remain on the territory of the Republic of Bosnia-Herzegovina no longer than 30 days from the signing of the peace agreement, and longer only at the request of the Presidency of the Republic of Bosnia-Herzegovina.

13. We welcome the readiness of the international community to give economic help for the reconstruction of countries affected by war on the territory of former Yugoslavia, particularly for the reconstruction of Bosnia-Herzegovina.

However, we expressly request that this help be conditioned: a) by respect for the territorial integrity of Bosnia-Herzegovina by part of the neighboring countries; b) respect for human rights and the rights of national minorities; and c) respect for the right of refugees and displaced persons to return to their homes. In this respect, Western countries must not continue making mistakes by agreeing to new unprincipled compromises. Economic help, because all sides need it, is a powerful weapon to encourage leaderships and the public to choose the way of the law.

14. Democratic elections throughout Bosnia-Herzegovina are a great opportunity to remove from power the criminal regimes and nationalistic fanatics. This opportunity must not be lost, but it will be unless prior conditions for truly democratic elections are met. For that, these are necessary:

a) securing the necessary minimum of freedom (freedom of the activity of political parties, freedom of the media, personal and property freedom of the citizens, and such);

b) the return of a greater part of the expelled population to their places of residence;

c) effective international monitoring of the elections;

d) elections to be held while the international military forces for the implementation of peace are still in place. Elections for parliament and the presidency must be direct elections.

15 individuals indicted by the Hague Tribunal for war crimes may not participate the elections.

16. to help with the return of refugees, it would be useful to form mixed commissions and to establish offices for receiving and providing help to refugees in all larger places in the Republic of Bosnia-Herzegovina.

17. Serbia and Croatia should be required to state formally that they have no territorial aspirations toward the Republic of Bosnia-Herzegovina, and that they will not foment separatist or secessionist tendencies in Bosnia-Herzegovina. The admission of these countries to international institutions, particularly the World Bank, the IMF, the EU, Partnership for Peace, and so on, should be conditioned by their policies toward Bosnia, and this should be expressly stated.

19. In the event of peace being concluded, it is necessary to make the Bosnia-Herzegovina Army able to defend Bosnia from possible aggression. This implies the lifting of the arms embargo and the arming and training of the Bosnia-Herzegovina Army.

20. We will negotiate where we can, but make war if we have to. Thanks to our army, we are in a strong negotiating position. Unless we are able to secure our justified demands through negotiations, only military means remain. Therefore we must never neglect the defense efforts or the military readiness of our army.

21. Finally: Nothing is agreed to until everything is agreed upon.

Presents 'Package' of Demands

AU3010195495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 30 Oct 95

[Statement by President Alija Izetbegovic of the Bosnia-Herzegovina Presidency in Sarajevo on 30 October — recorded]

[FBIS Translated Text] Tomorrow our delegation will gather in the United States, in Ohio, and the negotiations will start in two days.

I would like to repeat our general views for our citizens. I do not think this will be anything new, but I would still like to repeat once again our views for the sake of those citizens who perhaps follow the media a bit less.

First of all, there are two groups of issues that will be in the focus of attention. These are constitutional issues and maps.

When it comes to the constitutional issues, we will of course insist on an integral Bosnia-Herzegovina, joint institutions, and the functions of the future state. The central issue here of course is how they will function, and this will be one of the delicate issues that will have to be resolved.

As for the maps, we will of course insist on Gorazde, Brcko, Posavina, and the unified city of Sarajevo. We will insist on these things.

When it comes to the implementation of the agreement, we will insist on the arrival of forces that can implement the agreement [words indistinct] we will not accept any agreement. These forces will not be deployed along the present separation lines, along the front lines, but along the state borders of Bosnia-Herzegovina. This will be one of our main demands.

As for the much spoken about economic aid in the postwar period, our main demand is that this economic aid is most strictly linked to the respect for human and minority rights. We will stress this.

Finally, we will bring up the question of effective persecution of war criminals, and the return of the refugees.

This is a package that we will take to the negotiations. We are going there with a certain [words indistinct].

Political Parties Indicate Peace Talks Positions

Social Democrats Give Statement

AU2910201895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 29 Oct 95

[FBIS Translated Text] In connection with the coming talks in the United States and the possible definiton of the conditions for mutual recognition among the states formed with the disintegration of the former Yugoslavia, Sejfudin Tokic, chairman of the Union of Bosnia-Herzegovina Social Democrats [UBHSD], gave the following statement on behalf of the party:

As a condition for the recognition of the so-called Yugoslavia, the state delegation of Bosnia-Herzegovina must insist on demanding from Milosevic's regime and the international community that all the perpetrators of war crimes on the territory of Bosnia-Herzegovina be handed over to the Bosnia-Herzegovina judiciary or the International War Crimes Tribunal at The Hague.

At the same time, all the agreed institutionalized solutions that will guarantee the equality of the peoples in Bosnia-Herzegovina must be similarly applied to the members of the Bosniak, Albanian, and Serbian people in Serbia and Croatia.

Furthermore, the UBHSD demands that the process of succession of the former Yugoslavia be resumed without obstructions and under international arbitrage, which will stop any newly created state from assuming the economic and legal continuity of the former SFRY.

LBO Rejects 51:49 Partition

AU3010173795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 30 Oct 95

[Report by Stevo Latinovic on a news conference held by Salih Foco, deputy chairman of the Liberal Bosniak Organization, LBO, in Sarajevo on 30 October — recorded]

[FBIS Translated Text] According to Dr. Foco, the negotiating process starting on 1 November in Ohio will be very complex and uncertain. The aggressor's side still maintains the position that was the cause for the aggression. Disregarding the changes that have been made in the military balance and also politically, they are still calling for a referendum, the division of Bosnia, and secession. Their insistence on Bosnia-Herzegovina as a union and their demand that their self-styled Serb Republic [Serb entity in Bosnia-Herzegovina] be given access to the sea also make a serious approach to the negotiations more difficult. Hence the U.S. negotiators are expressing caution concerning their outcome.

The most crucial issue of war and peace in Bosnia-Herzegovina, according to the Liberal Bosniak Organization [LBO], is the issue of eliminating war criminals from the negotiating process, since they will not accept any concept of peace. They can only survive if the war continues. Their elimination is necessary from political life as well. In Dr. Foco's view, the form that has been proposed by the United States — that elections be held as soon as possible — is not the solution to such a complex issue.

It is necessary for international forces and institutions to enter Srebrenica, to establish exactly the extent of the crimes committed there, and inform the public about their findings. Our negotiating team should set this as a precondition for the start of the negotiations, which should be held on the principle of separate rooms. The proposed suspension of sanctions against Serbia and Montenegro should be directly linked to the handing over of war criminals to Bosnia-Herzegovina or the International War Crimes Tribunal.

The 51:49 percentage deal has also become obsolete. This is now only important to the aggressor.

Bosnia-Herzegovina must have single authorities throughout its territory, since only that will guarantee the equal rights of all its citizens. These authorities should be cantonal and decentralized.

Speaking of the position of Sarajevo, Dr. Foco said that it was unchanged, or at least not significantly changed. Electricity, water, and natural gas have been restored, but almost nothing has been done for the freedom of movement of the citizens.

As for setting up the Federation bodies, the LBO calls on the authorities finally to reveal to the public the names of those who are blocking this process. The people blocking the process, he said, should be sought in Zagreb, not in the Federation.

Bosnian Serbs Indicate Positions for Peace Talks

SRPS Supports Milosevic

AU3010130695 Belgrade TANJUG Domestic Service in Serbo-Croatian 1134 GMT 30 Oct 95

[FBIS Translated Text] Banja Luka, 30 Oct (TANJUG) — The Executive Committee of the Main Committee of the Socialist Party of the Serb Republic (SPRS) today evaluated the forthcoming negotiations in Dayton as the most complex stage in the whole of the peace process of solving the crisis on the territory of the former Bosnia-Herzegovina and the former Yugoslavia.

According to the public statement it issued, the SPRS "is aware of the huge responsibility and the difficult task that our negotiating team headed by President Milosevic is going to be confronted with."

It is said further on in the announcement that this party is convinced that "with the indisputable authority that he achieved in the international public by leading a principled and consistent peace policy based on an equal attitude to all sides in the conflict, President Milosevic will protect the interests of the Serbian people in the best way."

It is also ascertained that it is "good that the Serbian Republic leadership has finally realized that the Serbian people's policy is created and lead by Belgrade, and that only if it is coordinated and united can it bring success."

Assessing this moment to be "the most promising chance for establishing a final peace, lifting the sanctions, and ending the isolation of Yugoslavia and the Serbian people as a whole," the SPRS believes that there is goodwill from the biggest countries of the world for ending the four-year bloody war in the former Bosnia-Herzegovina and, in that sense, it proffers its "unreserved support for President Milosevic and our negotiating team."

Assembly Head Says Maps 'Key'

LD3010153995 Belgrade SRNA in Serbo-Croatian 1420 GMT 30 Oct 95

[FBIS Translated Text] Sarajevo, 30 Oct (SRNA) — Momcilo Krajisnik, president of the [Bosnian] Serb Republic's People's Assembly, who is a member of the Serb Republic delegation at the talks in Ohio, said immediately before leaving for the United States that the delegation of the FRY and the Serb Republic are going to the talks "with a single strategy."

"The maps will be the key to all keys, and in America we will certainly spend a great deal of time on them, because the situation on the ground, which has changed considerably over the past two months, is a big problem," Krajisnik said.

The Serb Republic delegation's stances on the maps "must remain a strategic secret until the meeting in Ohio," he said.

Krajisnik reiterated that the Serb side would demand the "return of the ethnically Serb areas" which the Croat-Muslim forces captured in the latest offensive against the western Serb Republic.

He also said that it was "certain" that Serbian President Slobodan Milosevic "will make an effort to use his political talents to further global Serb interests."

We must dispel doubts among the people on both sides of the river Drina that the united Serb interest has been brought into question because of the past rifts between the leaders of the Serb Republic and Yugoslavia, or that Yugoslavia will exert pressure on the Serb Republic in order to create conditions for the lifting of the sanctions. "The joint delegation has only one goal — to realize national interests," Krajisnik said.

According to him, the Serb Republic delegation at the talks in America will voice its opposition to the stationing of NATO forces in the territory under Serb control.

"We demand that the peacekeeping forces should consist of troops from countries that have taken an objective stance on the crisis in the former Yugoslavia, which means soldiers from Russia and Ukraine," Krajisnik said.

Karadzic: United Bosnia 'Impossible'

AU3010172495 Paris AFP in English 1645 GMT 30 Oct 95

[FBIS Transcribed Text] Sofia, Oct 30 (AFP) — A united Bosnia-Hercegovina with a single president and parliament as envisioned in the US peace plan is "impossible," Bosnian Serb leader Radovan Karadzic said in an interview published here Monday [30 October].

Bosnia can only be constituted as "two states," the Bosnian Serb leader told Bulgarian weekly 168 CHASA, "without a central administration or government in common."

"We can be no more than good neighbors" with Moslems, Karadzic continued, because "they do not recognize Yugoslavia since the Serbs are in the majority there, and we won't accept Bosnia since the Moslems are in the majority there."

Karadzic also cautioned against the possibility of an Islamic state in Bosnia, saying it would be "very dangerous because of the the fundamentalism that has been imposed" by Bosnian Moslems.

Bosnian Serbs, he suggested, were "defending Christian culture. Soon Europe will understand that that is what we are protecting."

Also in the interview, Karadzic accused NATO of having taken sides against his people.

"NATO took part in the war against us. Not only did it rescue the Moslems and Croats, but also actively helped them to conquer our territory," he said.

"NATO provided our adversaries all the information necessary for them to have access to the aerial AWACS information system," he added, referring to the US-made surveillance planes known as Airborne Warning and Control Systems.

Presidency Decides To Carry Out 'Partial' Demobilization

AU3010202795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 30 Oct 95

[FBIS Translated Text] The Presidency of the Republic of Bosnia- Herzegovina held a session today chaired by President Alija Izetbegovic. The presidency discussed the platform of our delegation on the eve of the peace negotiations in the United States.

To support the efforts for the revival of the economy in the country, the presidency decided on a partial demobilization of the members of the Bosnia-Herzegovina Army. This decision concerns people over 45 years of age, and will be implemented gradually. The deadline for its implementation is 31 December 1995. The demobilization of the command personnel will be carried out through individual decisions by the Presidency of the Republic of Bosnia-Herzegovina on proposal by the commander of the Bosnia-Herzegovina Army General Staff. The war presidency for the commune of Prnjavor was appointed today, and [words indistinct] the new ambassador of France in the Republic of Bosnia-Herzegovina.

The presidency also discussed other issues within its powers and passed relevant decisions concerning these.

Serbs Attacking Croats, Muslims in Banja Luka

AU3010124895 Paris AFP in English 1213 GMT 30 Oct 95

[FBIS Transcribed Text] Sarajevo, Oct 30 (AFP) — The few Moslems and Croats remaining in the Serb stronghold Banja Luka are terrorized and beaten with impunity, with UN officials complaining they are powerless to adequately report or prevent it.

"We do not really know what is going on but we keep getting very alarming reports about attacks on the remaining minorities," said Kris Janowski, a spokesman for the UN High Commissioner for Refugees (UNHCR).

"We have three or four people coming to the office every day, beaten black and blue," he added. "People who have the nerve to come to the office and complain are probably the tip of the iceberg. We have to assume there are many more cases."

Since the last paroxysm of ethnic cleansing began in August, about 22,000 Croats and Moslems have been forcibly evicted from their homes in the Banja Luka area, transported north to the Sava River and sent into exile in Croatia, according to UNHCR estimates.

Others are in camps or hiding in their homes, said Janowski.

The United Nations is powerless to stop these attacks or even adequately document them, because Bosnian Serbs restrict the movements of its officials around the Banja Luka area, a UNHCR official said.

Representatives are kept on the main roads, are always escorted by Bosnian Serb police and have repeatedly been denied access to areas which UNHCR officials would like to investigate.

The official estimated that 7,000 to 10,000 Moslems remained in the Banja Luka area, along with about 3,000 Croats.

The beatings often involve elderly people, in one case a 70-year-old woman reported being beaten. A 65-year-old man also reported being victimized.

"We have a case here a few days ago of a 69-year-old man who was picked up on the street by a gang of uniformed men," said Janowski. "They checked his ID.

When they realized he was a Moslem they dragged him into the car. He was severely beaten up and dumped on the road.... Four days later he died of his wounds at home."

In addition to being denied medical care, as in the incidence of the man who was fatally beaten, non-Serbs who report attacks to the police are rebuffed, said Janowski.

"People who have the nerve to actually go to the local police to complain are told that Moslems are not enjoying police protection. There is no police protection for the Moslems," he said.

"Most people are scared. If they have a roof over their heads, they don't dare leave it," a UNHCR official said.

The Banja Luka region's pre-war population had included 624,840 Serbs, 355,956 Moslems and 180,593 Croats, according to a 1991 census. Thousands fled in the first wave of ethnic cleansing three years ago and about 5,000 left in the first half of this year.

UN Reports Continuing Expulsions

*AU3110135495 Paris AFP in English
1330 GMT 31 Oct 95*

[FBIS Transcribed Text] Geneva, Oct 31 (AFP) — Bosnian Serbs were continuing to expel minority Moslems and Croats from their homes in Banja Luka, northwestern Bosnia, the UN refugee agency said here Tuesday.

The expulsions were continuing even as the three Bosnian factions gather in the United States for peace talks.

Aid workers in the Serb stronghold were being contacted two or three times a day by families or individuals who say they have been chased from their homes, UNHCR (UN High Commissioner for Refugees) spokesman Ron Redmond said, predicting that numbers would rise as fear spreads.

Some of the victims showed signs of having being beaten, he added. A number of old and sick people had been forced to sleep on a river bank, despite the cold, as they had nowhere else to go, Redmond said.

The rate of expulsions has increased since the summer, when tens of thousands of Serb refugees began flooding into Banja Luka and the surrounding area, having fled Croat and Moslem offensives in the west and northwest.

Non-Serb minorities complaining to police in Banja Luka were sent away, saying the police had told them they had "no right" to demand protection, the UNHCR spokesman said.

Cease-Fire Implementation, Violations Reported

Two Sides Meet 26 Oct

*AU2710213695 Banja Luka Srpska Televizija
in Serbo-Croatian 1930 GMT 26 Oct 95*

[Report by Dragan Stegic]

[FBIS Translated Text] The first meeting of regional commissions of the Serb Republic [RS] Army 1st Krajina Corps and the so-called 7th Corps of the Bosnia-Herzegovina Army was held today at the separation line between the Muslim and the Serb side not far from the village of Koricani, in the Knezevo municipality. After talking for two hours behind closed doors with the mediation of UN military observers, it was stated that there are no serious cease-fire violations in the area and that real separation lines will soon be established. Furthermore, it was confirmed that a hotline will soon be established between the warring sides. The next meeting between the warring sides was scheduled for Monday [30 October].

Further on Sides' Meetings

*AU2710205695 Banja Luka Srpska Televizija
in Serbo-Croatian 1930 GMT 26 Oct 95*

[Report by Aleksandar Skoric]

[FBIS Translated Text] The regional commissions for cease-fire control — with the mediation of UN military observers stationed in the area, of course — met today in the village of Koprivna, a short distance from Sanski Most. The meeting of these commission was also used for contacts of exchange commissions [komisija za razmenu] of the Serb Republic Army 2d Krajina Corps and the 5th Krajina Corps of the so-called Bosnia-Herzegovina Army. Today's meeting held at a section of a regional road between Prijedor and Sanski Most, in Koprivna, did not produce the expected results. Quite the contrary.

[Colonel Marinko Gajic, president of the regional commission for cease-fire control] We did not agree on anything today. First of all, we had to establish the front part of the separation line. However, the central commission did not specify the date to determine the front part of the separation line, so that we [word indistinct] to the central commission to settle that.

[Skoric] They are talking about two dates, the 16th and the 22d, and this is the origin of the controversy. Everything else seems to be [words indistinct].

[Lieutenant Col. Rajko Skonjevic] The central commission will decide between the two dates. It is not up to me to get involved in that. Commission President Gajic talked to you about today's meeting. We will decide on the next meeting when we get the dates and separation lines.

[Skoric] Do you believe that you will meet at noon on Sunday?

[Skonjevic] We are not against that, but ultimately it depends on when we get the results on separation lines and when we will be able to discuss that. Regarding the cease-fire, it is being observed by both sides. There are occasional provocations, but I do not think that will be a problem.

[Skoric] Time and time again, it is up to the Muslim side whether the meeting of commissions scheduled for Monday produce results. The Muslims have cut too deep into the Serb territory anyway and are now setting more terms regarding demarcation.

Serbs Note 'Frequent Violations'

AU2710204995 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 26 Oct 95

[FBIS Translated Text] The Serb Republic Army General Staff stated today that, overnight and this morning, Muslim and Croat formations continued with frequent violations of the cease-fire agreement. The statement by the Information Service of the Serb Republic Army General Staff says that the Muslims used small arms and antiaircraft weapons along the Krupa na Uni-Sanski Most part of the front. At about 1045 hours [0945 GMT], from their stronghold at Debelo Brdo, the Muslims fired 10 sniper shots at civilians in Kovacici and Vraca in the Serb municipality of Novo Sarajevo. Nobody was wounded, but the Muslim Army has once again blatantly violated the cease-fire agreement on the Sarajevo front.

The Serb forces command in Bileca stated today that the Croatian occupier, on the Trebinje part of the Herzegovina front, flagrantly violated the cease-fire agreement yesterday afternoon. Absolutely unprovoked, Croatian units opened fire from antiaircraft weapons and snipers on several occasions, obviously intending to inflict casualties among the Serbs. Croatian weapons targeted the positions of Herzegovina Corps soldiers on the southern outskirts of Popovo Polje, west of Trebinje. The activity was repeated several times and ended late last night. There were no friendly casualties. Observing the cease-fire agreement, soldiers of the Herzegovina Corps did not respond to enemy fire.

Muslim formations were also active on the Posavina front. They used small arms and antiaircraft weapons in the Vranovaca area, near Brcko. Serb soldiers did not respond.

UN: Cease-Fire Holding 27 Oct

AU2710133495 Paris AFP in English 1305 GMT 27 Oct 95

[FBIS Transcribed Text] Sarajevo, Oct 27 (AFP) — UN officials said Friday [27 October] that the ceasefire in Bosnia was holding "very well" despite accusations from both Bosnian Serbs and the Sarajevo government of violations.

Government-run Bosnian Radio reported Friday that Bosnian Serbs had shelled Bosnian Army lines, fired anti-aircraft artillery on the town of Bosanska Krupa and lobbed shells toward the town of Sanski Most.

Bosnian Serb radio on Thursday reported occasional small arms and anti-aircraft artillery fire on their lines by the Bosnian army around Bosanska Krupa and Sanski Most in northwestern Bosnia.

The United Nations had detected some activity, but mainly in northeastern Bosnia, said UN spokeswoman Myriam Sochacki. UN military observers in the northwest said they had detected no shelling.

UN military spokesman Chris Vernon said the ceasefire which began October 12 was holding "very well."

"There are minor infractions, a few small arms rounds reported from both sides but our military assessment is that it is not of significance," he said.

"Militarily you have to understand that a few rounds is not a serious ceasefire violation," he said.

A ceasefire was declared in Bosnia on October 12 but did not really take effect for nearly a week. The worst of the violations were around Sanski Most, with a low level of activity elsewhere.

Serbs Report Violations 27 Oct

LD2710230195 Belgrade TANJUG in English 2252 GMT 27 Oct 95

["Pool" item]

[FBIS Transcribed Text] Banja Luka, Oct. 27 (TANJUG) — Muslim and Croat forces are continuing to violate the ceasefire agreement almost on the entire territory of the former Yugoslav Republic of Bosnia-Herzegovina, the Bosnian Serb army command said in a statement on Friday evening.

Muslim forces opened artillery and small arms fire on Bosnian Serb positions in the area of the occupied town of Sanski Most in western Bosnia and around Teslic and Brcko in northern Bosnia.

Croats opened sporadic small arms fire from the occupied parts of the Republika Srpska (the Bosnian Serb

Republic) in the region of Mount Manjaca close to the Bosnian Serb center of Banja Luka and around Orasje in northern Bosnia, the statement said.

Croatia's regular army troops, who had occupied southern parts of the Bosnian Serb Republic, opened fire from small arms and anti- aircraft weapons from the city of Dubrovnik, the statement said.

The ceasefire agreement had came into effect on Oct. 12.

Croatian Attacks Near Trebinje

LD2810144995 Belgrade TANJUG in English 1329 GMT 28 Oct 95

[FBIS Transcribed Text] Bileca, Oct. 28 (TANJUG) — The Bosnian Serb Army (BSA) said on Saturday that Croatia's troops repeatedly violated the truce in the Trebinje area in Herzegovina on Friday afternoon. The attacks came from several directions south and southwest of Trebinje and lasted until the evening, the BSA said.

Croatian anti-aircraft guns and snipers were particularly targeting the Ljekova village about 10 km south of Trebinje.

The BSA said its troops strictly adhered to the ceasefire agreement and did not return fire.

Casualty Figures Issued 28 Oct

LD2810183595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Oct 95

[FBIS Translated Text] Eleven people were killed and 126 wounded in Bosnia-Herzegovina last week despite the cease-fire. One person was wounded in Sarajevo, a report issued by the health care institute of Bosnia-Herzegovina said.

The same source announced that since the beginning of the war 146,506 people have been killed, have died of starvation or exposure, or have gone missing in 61 municipalities in Bosnia- Herzegovina. Between the beginning of the war and the end of last week 1,119,920 people have been driven out of their homes.

'Sporadic Provocations' by Muslims

LD2910200795 Belgrade SRNA in Serbo-Croatian 1917 GMT 29 Oct 95

[FBIS Translated Excerpt] Sarajevo, 29 Oct (SRNA) — Sporadic provocations by Muslim infantry were registered on the Sarajevo front again today, Serb military sources said.

Muslim snipers opened sporadic fire targeting the Borija area in the Serb municipality of Stari Grad, and fire from infantry weapons was opened in the Ilidza sector of the front. [passage omitted]

Serbs Claim 'Serious' Violations

AU2910205695 Belgrade TANJUG Domestic Service in Serbo-Croatian 2004 GMT 29 Oct 95

[FBIS Translated Text] Banja Luka — The enemy forces have continued with serious violations of the cease-fire, particularly on the Herzegovina part of the front, which brings into question the validity of the agreement, the Serb Republic Army Main Headquarters has reported this evening.

On the Herzegovina part of the front, the Croatian forces at 1420 [1320 GMT] today opened mortar fire from the area of Misito at the Serb settlements in Popovo Polje, which was only one example of the continued serious violations of the agreement by the forces of the Republic of Croatia on this part of the front.

From the Orasje enclave, the Croats kept opening small-arms fire and flak today at the Serb positions, but with no consequences for the Serb soldiers.

As for the Sana and Teslic parts of the front, the Muslim forces [Bosnia-Herzegovina Army] occasionally opened small-arms fire, and the Serb soldiers also registered intensified enemy reconnaissance activities.

There have been no serious enemy violations of the cease-fire on the other fronts.

Serbs Blame Croatia for Violations

AU3010152895 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 30 Oct 95

[FBIS Translated Text] The situation on the front around Trebinje is becoming increasingly complicated and is threatening to turn into very fierce clashes. Artillery was in action yesterday for the first time since the signing of the cease-fire, TANJUG reports.

The command of the Serb forces claims that all the responsibility for it lies with the Army of Croatia, which has not stopped long-distance small-arms and antiaircraft weapon activities since the signing of the cease-fire agreement.

Serb Violations in Northwest

AU3010152995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 30 Oct 95

[Muhamed Mulic report from Bihac]

[FBIS Translated Extent] According to the latest information, last night enemy forces attacked the defense positions of the Bosnia-Herzegovina Army and the Ministry of Internal Affairs on the Sanski Most part of the front. Apart from small-arms fire, they fired occasionally with rifle-mounted grenade launchers and mortars.

Cease-fire violations have been registered on the Bosanska Krupa and Bosanski Novi parts of the front, where the aggressor has been opening small-arms fire.

While the cease-fire is holding to a certain degree in the Una-Sana canton, life is returning to the newly liberated communes. In Bosanska Krupa 205 [word indistinct] have been made functional, and a local radio station has started broadcasting. The town's water system has also started functioning. It is also important to say that the destroyed bridge on the Una in the center of the town is being repaired.

The special units of the Bosnia-Herzegovina Army have started to clear the mine fields in the Bosanska Krupa municipality. [passage omitted]

Serb Transport Helicopter Flights

AU3010154795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 30 Oct 95

[FBIS Translated Text] Adhering to the signed cease-fire agreement, our Army's fighters have not been responding to the sporadic aggressor activities.

Small-arms harassing fire at the defense lines has been particularly marked on the Trebava front, but has had no consequences for our forces, reports the Bosnia-Herzegovina Army Press Center.

During the night the aggressor continued to supply logistics to his units in the Bosnian Krajina. Fifteen enemy transport helicopter flights were registered over the Posavina corridor. The Bosnia-Herzegovina Army reconnaissance units have also registered intense traffic of enemy motorized vehicles, particularly in the Pelagicevo area.

Serbs Claim Croat Violations 30 Oct

AU3010215295 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 30 Oct 95

[FBIS Translated Text] The information service of the general Staff of the army of the Serb Republic [Serb entity in Bosnia-Herzegovina] has reported that there was no major combat activity on the territory of former Bosnia-Herzegovina.

A severe violation of the cease-fire was registered on the Herzegovina front, where Croatian Army units used mortars to fire from the area of [name indistinct] on Serb villages in Popovo Polje.

Muslims, Croats 'Grossly Violating'

LD3010222195 Belgrade TANJUG in English 2214 GMT 30 Oct 95

[FBIS Transcribed Text] Banja Luka, Oct 30 (TANJUG) — Muslim and Croat forces in Bosnia-Herzegovina were on Monday again grossly violating the ceasefire, the Bosnian Serb army command said.

The source reported Muslim attacks on positions of the army of the (Bosnian Serb state) Republika Srpska on the sections of the front at Sanski Most and Krupa Na Uni in the west, at Teslic and Doboj in the north and at Konjic and Kalinovik in the south.

Neighbouring Croatia's army, which supported September's combined Muslim-Croat offensive on the west of the Republika Srpska, was on Monday opening machinegun fire on Bosnian Serb troop positions on Mt Manjaca south of the Republika Srpska's biggest city of Banja Luka.

Croatian artillery shelled Bosnian Serb positions at the northern town of Orasje, the Republika Srpska's army command said in its statement.

The Croatian army, which has occupied parts of the Trebinje municipality in the south of the Republika Srpska, was opening small-arms fire on Bosnian Serb troop positions, the statement added.

The army of the Republika Srpska was not returning fire, honouring the ceasefire agreement, the statement said.

'Mercenaries' Hitting Back Against Hiring Parties

LD2810150795 Belgrade TANJUG in English 1433 GMT 28 Oct 95

["Pool" item; "The Dogs of War in Former Yugoslavia" — by Miodrag Dundjerovic]

[FBIS Transcribed Text] Belgrade, Oct 28 (TANJUG) — Mercenaries fighting in the civil war in former Yugoslavia are again in the limelight, but this time because they are backlashing against those who hired them.

A car bomb recently exploded in the Croatian Adriatic city of Rijeka, but Croatian authorities are unusually silent about the incident although an Egyptian terrorist organization has taken the responsibility for the blast.

Italian police said in August that Muslim and Croat terrorists were being trained in a camp near Bergamo for actions against Bosnian Serbs.

The automobile that exploded outside a police station in Rijeka, killing one person and injuring about thirty others, had Bergamo licence plates.

The Italian newspaper IL GIORNALE says that the Jamma Islamia fundamentalist organization, which has declared war to Croatian authorities, until recently maintained an office in downtown Zagreb, from which it coordinated actions of Islamic mercenaries in Bosnia.

Zagreb papers report that Croatian police recently arrested one of the Jamma Islamia leaders and extradited him to Egypt.

British humanitarian organisations recently had to suspend their mission in Central Bosnia because Islamic mercenaries threatened to retaliate for the death of one their fellow-fighters who was killed by a British peacekeeper.

International news agencies had an embarrassing task to explain what were Islamic mercenaries doing in Bosnia in the first place.

The WASHINGTON TIMES reported that about 400 members of the Islamic Revolutionary Guards arrived in Bosnia in early May 1994 with large supplies of arms and explosives.

LE NOUVEAU QUOTIDIEN of Geneva ascribed the military victories of Muslims and Croatians in Bosnia to the training they had undergone with U.S. Army generals who, the paper said, were hired through a company offering the services of mercenaries worldwide.

This has not stopped THE NEW YORK TIMES, however, from launching a story about alleged atrocities committed by Serb paramilitary formations in Western Bosnia.

The story, timed to appear before the Bosnia talks in Dayton, Ohio, clearly shows that the paper could not care less about civilian casualties but that its sole purpose was to rekindle allegations of Belgrade's involvement in the Bosnian civil war.

The paper utterly disregarded U.N. reports rejecting such allegations on the basis of which the Security Council decided to partially lift sanctions against Yugoslavia.

The paper also deliberately ignored Yugoslavia's insistence on punishment of all war criminals, regardless of where they come from, including a recent demand to Bosnian Serb leadership to thoroughly investigate crimes against civilians in the Banja Luka region.

THE NEW YORK TIMES made it abundatly clear that its intention was to shift the attention of the world public from the agony of 200,000 Serbs who were expelled from their homes this summer when Croatia stormed Krajina. Such manipulation cannot be interpreted in any other way but as obstruction of the Dayton peace talks aimed at bringing peace to Bosnia-Herzegovina after three and a half years of civil war and lifting sanctions against Yugoslavia.

Air Defense Commander on Communications System

AU3010202895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 30 Oct 95

[Report by Mladen Bosnjak on the ceremony marking the 3d anniversary of the Bosnia-Herzegovina Army 1st Corps' 1st Light Artillery and Missile Division of the Air Defense held in Sarajevo on 30 October — recorded]

[FBIS Translated Text] Following the report and the salute to the standard, Division Commander Omer Kliska called on all those present to pay tribute with one minute of silence for those killed in the 1st Light Artillery and Missile Division. He then addressed briefly the soldiers and guests present on the division's three years of war.

The first Air Defense unit in Sarajevo was formed in late June 1992, and all the weapons it then had consisted of a few guns from the Sarajevo barracks of the former Yugoslav Army. Shortly afterward, [word indistinct] this unit was disbanded during a search for the most applicable forms for organizing the army of liberation units, the Bosnia-Herzegovina Army that was only just being created. However, not long after that, in early October 1992, both the men and the weapons were assembled again. Since that day the entire process has been marked by constant strengthening of this division, and its successful cooperation with the other formations of the 1st Corps. Three years ago today, an order was issued that made official the existence of the 1st Light Artillery and Missile Division of the Air Defense.

What is this division today? Here is what its commander, Omer Kliska, said about that:

[Kliska] Using its own capacities and wits, and the example of the systems used by the Swedish and Swiss armies, this division has developed an automated system for air observation and reporting. The communications system in the division enables an unobstructed command structure at all times, as all the fire positions of the units are connected in a [word indistinct] system, and via radio links. This system at the present level exceeds the needs of the division, so we envisage its use at higher levels of command and control.

[Bosnjak] He stressed another important feature of this division.

[Kliska] The men of this division are very highly trained, which enables the execution of all the set tasks at all times. We are continually engaged in training soldiers and officers of artillery and missile units of the Air Defense, both in the 1st Corps and all the other corps of the Bosnia-Herzegovina Army.

The division has trained five generations of young recruits, and is making speedy preparations for the reception of the sixth generation.

[Bosnjak] The recognition for the courage, training, and expertise of the members of this division was given by Nijaz Omanovic, chief of the 1st Corps Air Defense:

[Omanovic] We have frequently stressed that the first [word indistinct] of the Air Defense is the abundant source of personnel of the 1st Corps Air Defense and the Bosnia-Herzegovina Army in general.

[Bosnjak] The officers and soldiers of the 1st Light Artillery and Missile Division of the Air Defense were greeted by many on their 3d anniversary. Among them was Rasim Delic, commander of the Bosnia-Herzegovina Army General Staff.

Today many members of this division were handed certificates and financial awards. Perhaps it is unjust to other soldiers that were awarded to single out only two of them.

[Kliska] Due to their extraordinary results in carrying out combat and other tasks, I would like to commend Lieutenant Sali Halil and Lieutenant Dzevad Obarcanin. Signed by the commander, Army General Rasim Delic.

[Bosnjak] The ceremony marking the third anniversary of the 1st Light Artillery and Missile Division of the Air Defense of the Bosnia-Herzegovina Army 1st Corps ended with the presentation of certificates of gratitude to the representatives of companies that have contributed to the successes of this division, and a cultural program that was performed by the entertainment unit.

Tudjman Party Wins Election Ahead of Ohio Talks

*AU3010195695 Paris AFP in English
1922 GMT 30 Oct 95*

[By Peter Cunliffe-Jones]

[FBIS Transcribed Text] Zagreb, Oct 30 (AFP)—Croatian President Franjo Tudjman's rightwing ruling party won weekend elections, results showed Monday [30 October], giving him a renewed mandate for strongly nationalist policies and strengthening Tudjman's hand ahead of US-sponsored Yugoslav peace talks.

Tudjman will attend the start of the talks in Dayton, Ohio, Wednesday as the strongest of the principal three Balkan leaders, boosted by his electoral victory and recent military successes but not as completely in command of the scene at home as he had hoped.

The president's Croatian Democratic Union (HDZ), which steered Croatia to independence in 1991 and defeated Serb rebels in two regions earlier this year, won 43.66 percent of the vote in the parliamentary polls Sunday, the electoral commission said Monday evening, after votes from four fifths of polling stations were counted.

In a mixed proportional and simple majority voting system, the final results, not due to be published until Friday, will leave the HDZ in a commanding position but probably well short of the two-thirds the party wanted to enable it to change the constitution and increase the power of the presidency.

"This is a strong result and leaves Tudjman in command but shows that there is some discontent out there," a diplomat said.

A five-party coalition led by the Peasants Party, campaigning on subsidies for farming, won 19.30 percent of the vote and the centrist Social Liberals (HSLS) won 11.82 percent. The rest of the votes were scattered among 17 other parties.

Tudjman speaking in the early hours of Monday described the result as a "convincing" victory but, apparently unhappy that he had not got the two-thirds he had predicted, cancelled a press conference scheduled for midday Monday with no immediate sign of it being rearranged.

Electoral officials meanwhile said they were unable to give an overall turnout figure to update the first estimate, issued as polls closed Sunday, of 50.17 percent.

Four years of war and economic difficulties have left most Croatians little enthused by politicians of any description, perhaps explaining the low turnout, a diplomat said.

Unemployment is around 17 percent according to official figures and the effect of hyperinflation in 1992 and 1993 has pushed many things beyond the reach of those on average wages.

The HDZ "picked up votes for its hardline stance on the Serbs," a western diplomat here told AFP. The party, led from the front by the popular Tudjman, made an issue of its successes against the Serb rebels who until earlier in the year held one third of the country and now hold only around 4.5 percent.

Tudjman at a rally Friday promised to retake the last 4.5 percent of territory held by the Serbs, drawing roars of approval from his supporters but disapproval from diplomats hoping to negotiate a peaceful settlement.

One of the peculiarities of the election was the separate voting for lists for the Serb, Hungarian and Italian minorities and the vote given to the nationalist ethnic Croat diaspora abroad.

The opposition has charged the HDZ with rigging the results of the elections by pushing electoral rule changes through parliament in a rush in September giving the vote to some 400,000 ethnic Croats abroad. Around 80 percent voted for the ruling party.

It has also accused Tudjman, who was not himself a candidate in the elections but lent his authority to the party, of abusing his presidential position by so overtly backing the HDZ campaign.

And the opposition hit out at him over the wall-to-wall favourable coverage in the largely state-run media.

The minority Serbs—around 150,000 people in a population of four million Croats—have meanwhile criticised the party for slashing the number of seats guaranteed for the minority Serbs from 13 in the last parliament to three in the new one.

European observers Monday said the election was generally "free and fair" but critised the media bias, the diaspora vote and the reduction of seats guaranteed for the Serb minority—something the HDZ justifies on the fact that around 400,000 Serbs have left the country over four years.

The government has done little to persuade them to return and has instead called on ethnic Croats living abroad to return to repopulate the country.

Leslie Campbell, a representative of the US-based National Democratic Institute, said there were "serious problems" in the poll, including possible double voting, the exclusion of some Serb voters from the general list and "chaotic organisation" in some areas. They "deserve serious attention from European governments" which have good relations with Croatia, he said.

Some Observers Disagree on Fairness of Elections

AU3010164395 Paris AFP in English 1554 GMT 30 Oct 95

[Report by Peter Cunliffe-Jones]

[FBIS Transcribed Excerpt] Zagreb, Oct 30 (AFP)—International observers disagreed Monday [30 October] over the fairness of Croatian parliamentary elections and one U.S. election monitor said there had been "serious problems" in the "sometimes chaotic" voting.

Leslie Campbell, representative in Croatia of the congressionally-funded National Democratic Institute, said there had been no attempt by polling clerks in certain areas of Bosnia-Herzegovina, where a vote was organised for the ethnic Croats, to check the residency of voters, producing a possibility for double voting.

In the Croat-held pocket of Bosnia-Herzegovina, he said, there was "a complete lack of control."

"Polling clerks did not require proof of residence. The possibility of double voting (someone once in Croatia and then once in Bosnia-Herzegovina) was there. Anyone could vote twice," he said.

The government in Sarajevo has protested against Croatia's decision to give a vote to some 300,000 Bosnian Croats whom it has recently given Croatian nationality.

The voting conditions in certain polling stations in Zagreb Sunday were "chaotic" and the voting lists "not in good shape," Campbell said.

"The general disorganisation was due to the haste and lack of preparation of the election" which was brought forward to September from June 1996 after Croatian forces retook land held by Serb rebels in August, he added.

Campbell also condemned the fact that some Serbs had not been allowed to vote on the lists of their choice, being forced to vote on separate lists set aside for the Serb minority.

"These are serious problems that deserve serious attention by the European governments.

"The European governments should take the problems seriously and show an extra measure of caution in their relations," he said. [passage omitted]

"As far as we could judge, the 1995 elections in Croatia followed democratic rules and, with some reservations, the voting can be considered to have been free and fair," a group of observers from the Council of Europe said.

Those reservations covered the creation of a special voting block for the diaspora, the reduction of the guaranteed Serbian minority block to three seats and problems arising from media bias, Jan Bergqvist, a Swedish election observer added.

And the Organisation of Security and Cooperation in Europe agreed. Its observers found that although there had been impartial [as received] media coverage, an unfair reduction in the representation of the Serbs and breaks in voter secrecy, the general conditions were "free and fair."

The observers shocked some commentators however by leaving Zagreb Monday even before the votes for the election were fully counted and well before the full results of the elections were published—which is to happen Friday.

"Some people here just wanted to find the results free and fair whatever happened," said one observer, who asked not to be named.

Mesic: Election Win To Complicate Peace Process

BR3010150995 Milan CORRIERE DELLA SERA in Italian 28 Oct 95 p 9

[Interview with Croatian opposition leader Stipe Mesic, former Yugoslav president, by Massimo Nava in Zagreb; date not given: "Croatia a Banana Republic"]

[FBIS Translated Text] [Nava] You used to be friends [with Croatian President Tudjman].

[Mesic] I dreamed of a free Croatia, independent, democratic, and in Europe. Now we are like some kind of South American dictatorship, with a general in charge of the country and with a junta of speculators who control all aspects of government and the economy. I dreamed of a party, and found myself in a movement that had an absolute leader. I dreamed of democratic institutions, but here all powers are held by a single person, who dictates the law to parliament and who even decides on the election of magistrates.

[Nava] Tudjman has a pretext—the war, national interests, the homeland.

[Mesic] Yes, the war. We clashed over this too from the outset. To defend ourselves against Serbian aggression is one thing. But the partitioning of Bosnia, in agreement with [Bosnian President] Milosevic, and the annexation of Hercegovina are another matter. The aggression against the Bosnians and the destruction of Mostar are a terrible blot on our history. At least Milosevic does not make the Serbs of Pale vote for the parliament in Belgrade. We have held the Bosnians to ransom, forcing them to accept future elections to the Croatian parliament in territory that is officially Bosnian. They had no choice: Humanitarian aid must pass through Croatia. Among other things, there is no possibility of monitoring elections in Hercegovina. I know for certain that they have had three times the necessary number of voting cards printed. We have reached such a pass that Hercegovina's defense minister is the leading candidate. This is a scandal, clear to the world, but Tudjman refuses to heed reason.

[Nava] I think that Tudjman no longer considers you a good patriot. Do you not feel pride in what your president calls "Croatia's military might."

[Mesic] It is tasteless to talk in terms of military might in the world today. To be patriotic means to defend your homeland and to respect the rights of all. Tudjman has said that he is fortunate to have married neither a Serb nor a Jew: This is what he thinks of minorities.

[Nava] Do you not agree with the reconquest of lost territories?

[Mesic] We have a duty to defend our territorial rights, but we must not behave like our enemies. In Krajina the responsibility for the Serbs' exodus and suffering lies with Milosevic, who ceased to defend them, in exchange for the partitioning of Bosnia. But then our troops arrived. We are guilty of other crimes—pillage, killings, over 20,000 homes burned down. Systematic action to perpetuate the model of an ethnically cleansed state.

[Nava] At this rate, what will happen to Croatia if Tudjman scores a major election victory?

[Mesic] We will become increasingly isolated and untrustworthy. And the peace process will become increasingly complicated by aggressive and expansionist ambitions. It is a historical trend: Either we become a democracy or we will become the Paraguay of Europe!

[Nava] The United States and Germany, however, now believe in this "Paraguay." They have financed and protected it. They consider it an essential factor in a solution to the war.

[Mesic] Tudjman is indeed a minor player, though he considers himself a major leader. Germany is afraid of Serbia and of Russia's influence. If Tudjman and Kohl were in love, it would be a clandestine affair. The United States is always pragmatic: It applauds the winners and mourns the victims. It supported Ceausescu, Amin, and Bokassa too—all democrats!

[Nava] Are you optimistic about the outcome of the elections?

[Mesic] I hope for a strong opposition that will be the prelude to a government of national salvation. Tudjman will remain president, but his cohabitation with parliament and government will be difficult. Such an outcome could improve relations with all our neighbors and with the domestic minorities; it could open up the country to investments; and could build a lasting peace. We have fought to have our own state. Now we must build it.

Tudjman Chairs Serb Confidence-Building Meeting

LD3010150795 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 30 Oct 95

[FBIS Translated Text] The first meeting of the HDZ [Croatian Democratic Union] committee for confidence-building measures among the Serb population in the Republic of Croatia was held today in the Presidential Palace [Zagreb] and chaired by the president of the HDZ and of the republic.

On President Tudjman's initiative stress was laid on the need for a systematic effort to renew and develop trust with the Serb population in the Republic of Croatia, and the desire was expressed to achieve the reintegration of the area and people in the remaining occupied areas of the Republic of Croatia by peaceful means.

Thus, the setting up of this committee is an expression of the desire and firm intention of the majority party to implement the process of peaceful reintegration. The committee is aware of the tragic and unacceptable phenomena in the liberated areas of Croatia thus far, and it will advocate the consistent functioning of the law-governed state and the prevention of such phenomena in future.

Other important tasks of the committee were also stressed, with the aim of realizing all the rights guaranteed by the constitution and the constitutional law of the Republic of Croatia, especially in the field of humanitarian aid, social welfare, cultural and educational activity, and economic development. The initiative committee is made up of Mirko Tankotic, the committee chairman, Branko Konstantinovic, Vaso Stambolija, Slobodan Lang, Djordje Pribicevic, and Ivic Pasalic on behalf of the HDZ presidency.

Deputy Prime Minister on Return of Krajina Serbs

AU2710131395 Zagreb VJESNIK in Serbo-Croatian 15 Oct 95 pp 10-12

[Interview with Croatian Deputy Prime Minister Ivica Kostovic by Ivan Sabic; place and date not given: "All Eyes Look to Vukovar"]

[FBIS Translated Excerpt] Dr. Ivica Kostovic, deputy prime minister of the Croatian Government, and Dr. Adalbert Rebic, minister in the Croatian Government and head of the Office for Displaced Persons and Refugees, are in charge of the problem of displaced persons and refugees in the Republic of Croatia. After Operation Storm, the question of the destiny of the Serb population that had fled naturally became part of the previous problem. [passage omitted]

[Sabic] Mr. Kostovic, several days ago you said that there could be no massive return of the Serb population that had fled the territory liberated in Operation Storm. What is understood by the term massive return? What kind of return is possible?

[Kostovic] After Operation Storm, some 90,000 Serb civilians and 30,000 soldiers fled. The request of the international community and the Serb representatives in Croatia was that all those who wanted to return could do so. Since Croatia anyway does not curtail the freedom of movement of its citizens who have any kind of valid documents, every citizen in that sense has equal rights, and we have pointed out that the basic precondition for Serb refugees to enter the Republic of Croatia is the regular procedure of getting a document. The objection was that this had been too slow. Meanwhile, whether slow or not, anyone who cannot prove that he is a Croatian citizen or a foreign citizen with valid documents is not allowed to enter the country. Croatia will not change its system of border control, the regime of entering the country, or the way its consulates function.

Regarding the regular procedures, we must emphasize that some of the Serb refugees are only potential Croatian citizens, so the statement of some international organizations that all of them are Croatian citizens is not true. They can prove it with a personal document or, if they were registered in the 1991 census, this can be proof. [passage omitted]

[Sabic] There have also been some objections to the Office of the Republic of Croatia, which is not allowed to issue documents.

[Kostovic] That is true. The office only receives written applications, of which until a couple of days ago there were only 8,000, which shows that the Serbs are not very interested in entering Croatia, and documents have been issued by all Croatian diplomatic and consular representative bodies in other countries to which all interested refugee Serbs can come without difficulties because they have documents issued by the so-called Federal Republic of Yugoslavia. Another possibility is that in certain individual cases, for humanitarian reasons, the procedure is accelerated, but only in cases of reuniting families. Apart from through our office in Belgrade, it can also be done through the UNHCR and the International Committee of the Red Cross. After all, this has been done throughout the entire war. I must say that a large number of Croats are suffering now waiting to enter Croatia, because the Croats who had been in the until recently occupied territories had to flee, too. It is also difficult for them to prove that they have the right to return, but we simply have to check this. After all, we are living in a state of war.

We have constantly been asked to accept a large number of Serbs without any papers and without checking, which is simply impossible. In addition, we have no agreement with the so-called FRY, nor has any kind of request from that side arrived to enable any large scale return. The "Federal Republic of Yugoslavia" is effectively discouraging the return of Serbs to the Republic of Croatia. A possible accord on that problem, which is, after the presentation of some document or returning for a family reunion, a third way for people to return to Croatia, would mean reciprocal return, that the Croats would return to Srijem, Backa, Baranja, eastern Slavonia, Banja Luka, etc.

Misplaced Objections

[Sabic] What are the reactions to all this of the international humanitarian organizations, the human rights organizations, and European institutions, whose opinion we care about, apart from anything else, because of admission into the Council of Europe?

[Kostovic] We have been openly told that admission into the Council of Europe and other kinds of cooperation, particularly in economic affairs, depends upon respect for human rights, the restoral of the liberated areas, and the return of the Serbs. We naturally stressed that there had not been large interest in the return. That is a fact. Through the first two ways we will accept those Serbs who comply with certain conditions. An additional factor that I have emphasized is the Amnesty Law. Namely, this has not been extended, as it was for eastern Slavonia, so all those who participated in the rebellion against the Republic of Croatia as members of paramilitary units should be put on trial.

[Kostovic] Some international organizations have criticized us, saying that a 30-day period is too short for return. However, a 90-day period is perfectly sufficient even for one who has absolutely no documents at all, because one can get them within that period, of course, provided that one has a right to them and that one is not guilty of armed rebellion. There have also been some objections about that, but we have to respect our laws.

[Sabic] What is the situation like regarding the property of those who fled? There have also been some objections about the law that regulates this issue.

[Kostovic] [passage omitted] We answer that it was just a provisional regulation, which has not changed ownership relations, and that it is within that regulation that the problem would be subsequently solved by a special law. The regulation is simply a way of protecting property and enabling Croats who fled in 1991 and cannot return to their homes because they were systematically burned down to return and have somewhere to live. The property in recently liberated areas has been given to the returnees to use, with the government's guarantee that no private property would be touched. The question is what will happen if the owners return later, and find those who have been given that house for their use, because their house has not yet been reconstructed. They will not be able to move in until some accommodation is found for the current occupants. This is not a rare case in our experience. There are many apartments whose ownership has been granted, but they are not vacant. [passage omitted]

2,848 People Considered Missing

[Sabic] In the so-called independent Belgrade media, there has been speculation on the future of eastern Slavonia, Baranja, and western Srijem that Croatia is being deliberately slow in solving that problem so as to keep a buffer zone with Serbia. It has also been claimed that Croatia is thinking about giving autonomy to that region to prevent the return of the Serbs to the until recently occupied areas. What is your comment on that?

[Kostovic] That may be the idea and the strategy of Belgrade. In any case, it is not an idea considered in Croatia. Croatia has very clearly presented its position on the question of the remaining occupied territories. In the event of peaceful reintegration, only those who lived there in 1991 may continue to live there. That means that those who moved over there from Bosnia-Herzegovina or from Serbia during the course of the occupation will not be able to stay there. [passage omitted]

[Sabic] One of the gravest consequences of this war are the missing. It seems that the destiny of many of those whose names are on the list will be revealed in the gravest way possible: by their identification in mass graves. Do you know the exact number of these graves and the number of the victims of Serb massacres in them?

[Kostovic] At the moment 2,848 people are considered to be missing, and that number is changing day by day because they have turned up or we have received confirmation of their deaths from the Serbian side. It is a fact that we have often pointed out that a great number of the missing people are no longer alive, which does not reduce the hope that some of them are actually alive and that we will liberate them one day. It is hard to tell precisely how many people have been killed. Today we know of 11 larger mass graves in eastern Slavonia and of some 50 in the liberated areas, of which in Banovina alone there are 25. We think that there will be some 500 killed in that region. The only way to search for the rest of those who are still alive from the list of those who are considered missing is to determine the identity of those killed. [passage omitted]

Croatia Was Not Exaggerating

[Sabic] What are the reactions of international organizations and those Western governments that have been well informed about this problem to the missing and the discoveries of the mass graves?

[Kostovic] They have been very reserved. They have been receiving all the information during the whole period from 1991 to 1995 and they have protected only one mass grave, the one at Ovcara [near Vukovar]. Our discoveries are now forcing them to investigate some of this obvious evidence of mass crimes and to see whether only the destiny of the Serbs in Croatia is worthy of attention or their obligation is also to care about the fate of Croats. [passage omitted]

[Sabic] The return of a large number of those displaced to the liberated areas has recently been announced and there is a chance of solving the rest of the occupied territories and the return of the displaced from that part of Croatia, but it is obvious that everything that has already happened and will happen, will have considerable consequences on both the economy and the social status of our population. What are your predictions on that?

[Kostovic] [passage omitted] In any case, at the moment it is most important to reintegrate or liberate eastern Slavonia, Baranja, and western Srijem, because without the state's integrity there are no preconditions for further social development. The integrity of the state and reaching peace are preconditions for investment and economic growth, the result of which is social development. Therefore all our eyes should be on Vukovar.

[Box 1, p 11]

There Has Been No Political Will To Condemn Crimes

[Passage omitted] [Sabic] How do you explain the fact that certain international organizations pay far more attention to Operation Storm and its consequences than to the Serb atrocities committed against Croats?

[Kostovic] I will answer this question as a physician and a man who, along with some other colleagues, was preparing for defense before the beginning of the aggression on Croatia and who, after the aggression began, participated in humanitarian actions, prisoner exchanges, and organization of the convoys of the wounded. I met with international associations, I know where the camps were situated, what was happening to the wounded, and what the general situation during the aggression was, so I can talk about all of this and state that all those international organizations adjust their activities to the political will and public opinion of their countries. Sometimes they use them as means for political pressure. They knew in 1991 that there were large camps in Begeci and Stajcevo with several thousand civilians from Vukovar, but it all passed without any serious international attention and the situation changed only in 1992, when the Serbs reopened Manjaca, Omarska, Keraterm, and other camps in Bosnia-Herzegovina and they started to talk about concentration camps. They had known about them even before but there had been no political will to condemn the JNA [Yugoslav Peoples Army] and Serbia for crimes which had been unheard of since the World War II. Making it known that there were several thousand civilians in Begeci and Stajcevo would demand a fierce action against Belgrade, but they were not ready for such action, just as they were not ready to defend European civilization in Vukovar.

The example of the crimes committed in Vocin is highly illustrative, because it has been documented, it is known who is the victim and who is the perpetrator, but it has not received attention. A year later, when everybody had realized the extent of the Serb crimes in Bosnia-Herzegovina, they started to become interested in the case. And now that we have liberated our territories and it is obvious that every Croatian and every Catholic church has been devastated, and that mass graves are everywhere, they organize a campaign against our country because of the pressure on Croatia to adjust to some standards. This, when there was no reaction to Vukovar, the destruction of a baroque town and the killing of 1800 civilians. After that, everything is possible. I believe that in many an European politician there is particularly strong guilty conscience, because they did not react then and because of this the civilization system of postwar Europe has been damaged.

The only Croatian town into which any humanitarian help was shipped was Dubrovnik. Nobody went to Saborsko, where all those who found themselves there were killed, nor did anybody give medicine to Vukovar. The day before the Serb army marched into Vukovar, a truck loaded with medicine entered the town, but everything else had been brought in by our people at a risk to their lives.

Neither the Red Cross nor any other international organization to broke through the siege of the Yugoslav Army but, later on and throughout the whole period, there was abundant humanitarian help for the Serbs in the occupied territories.

HSP's Djapic: Return of Serbs 'Unacceptable'

AU3110074795 Split SLOBODNA DALMACIJA in Serbo-Croatian 24 Oct 95 p 5

[Interview with HSP leader Ante Djapic by Anita Malenica; place and date not given: "Shout Against the Croatian Democratic Community? No. We Are Building Victory for the HSP."]

[FBIS Translated Excerpt] Ante Djapic, spokesman and state list candidate of the Croatian Party of Right [HSP], talks without any restraints about the election results, the rightwing movement, the opposition, intrigues, and the refusal to allow the Serbs who left Croatia after Operation "Storm" to return.

[Malenica] The HSP is fighting the elections independently. What results do you expect?

[Djapic] The basic thing that we expect is the stabilization of the party scene in Croatia in a way that would enable the HSP to become so powerful and strong that it would not be possible to decide about most of the important Croatian problems without it. We are convinced that the rightwing movement will definitely be established as an idea and a program in the Croatian body politic, which will mean the future for Croatia and also the return to Croatian roots. In our political tradition, the strongest source is the program and the teaching of the father of the homeland, Ante Starcevic [19th century founder of nationalist Party of Right], naturally modernized according to the circumstances in which we live, and the fundamentals of that program lie in the honor, morality, honesty, and dignity of the Croats. We expect to achieve great results at the elections, because if we did not trust our program, then we would not face them completely independently, like the Croatian Democratic

Community [HDZ]. The HDZ is right to fight the elections independently because they are a strong, winning, and ruling party, and the means of information, money, and power are behind them, whereas the HSP goes into the elections with the strength of its program, unlike other parties, which obviously have less trust in their own programs, so instead they try, which is politically justified, to pass the threshold by unifying with others, and thus get into parliament again. [passage omitted]

"Have Your Cake and Eat It Too"

[Malenica] The return of the Serbs to Croatia: Our office in Belgrade has received around 10,000 requests from Serbs who wish to return. How do you assess this situation?

[Djapic] For us it is unacceptable and if the HSP were strong in parliament, we would be able to prevent it! That is why parliament needs the HSP, not as a decoration but as a realistic force, because we would be a dam against all moves that are dangerous for Croatia. The return of the Serbs to Croatia is a great danger. If in the temporarily occupied territories some sort of transitional period is introduced, then those Serbs who have left Croatia can later come to eastern Slavonia, western Srijem, and Baranja, completely change the ethnic map there, and once more spread their net in Croatia and hound displaced Croatian persons out of their houses by ordinary property litigations. Our strategic interest is to preserve the Croatian state and its stability and prevent the return of the Serbs to Croatia. No other political party advocates this!

[Malenica] Why do the opposition parties, in your opinion, not advocate this ban on the return of the Serbs to Croatia?

[Djapic] They do not represent state interests. They would like to have their cake and eat it. However, that cannot function in national policy. Three years ago, when we were saying that we would solve the issue of the occupied territories with arms, we were considered to be warmongers. Today, when we say that the return of the Serbs to Croatia must be prevented, we are called misanthropists. That has to do with nothing else but the protection of our national interests. The HSP does not deal with petty politics, we are not very much interested in what Galbraith says, because we conduct Croatian policy and protect Croatian national interests and, therefore, we believe that for Croatia that is justified. When I talk about the Serbs, then it has to be kept in mind that I am not talking about the citizens of Croatia who have remained in Croatia, but about those who have gone to Serbia after Operations "Flash" and "Storm.". Those who have remained in Croatia are Croatian citizens just like Ante Djapic and they must have all the rights and all the obligations.

Dubrovnik Too!

[Malenica] At a press conference you said that you expected the Croatian authorities to reintegrate the occupied territories by 30 October. Do you still demand that?

[Djapic] Of course we do, but unfortunately nothing will come of that! There is frustration over that in Slavonia, because although we have achieved a lot by liberating the northern and the southern sectors, the 4.6 percent of occupied territory in the Republic of Croatia strategically represents much more. Over 100,000 people were expelled from that territory, it gives Croatia the attribute of being one of the Danube lands; nor is that it is the most arable Croatian land insignificant. Because of that occupied territory, three municipalities are directly endangered: Osijek, Vukovar, and Brodska. We have to solve that problem in the same way as we did in the so-called southern and northern sectors. Otherwise, Slavonia will be handicapped in relation to Dalmatia and Lika, and I repeat once more that there is no reason not to do the same thing in Slavonia. Also, it is high time we solved the situation of the Dubrovnik hinterground. Whoever was involved in the destruction of the Croatian state or took part in the aggression has nothing to do in Croatia!

I believe that the general feeling is that that problem should be solved militarily, of course taking care about casualties. But I repeat, freedom has no price and it is time to dot the "i." [passage omitted]

[Malenica] Some people take your statements that you will get 15 percent of the votes very seriously, saying that you act so self-assured, whereas, in the same way, the HDZ acts very convincing when it says that it will get a two-thirds majority in parliament. So following this, there are conclusions that you are the extended arm of the HDZ?

[Djapic] I know that some would like to see the HSP as an opponent of the HDZ, to see us shouting against the state president at preelection rallies, now when he is most popular and when the victory of the HDZ is very certain. We have put up candidates in all the constituencies; in some this is good for the opposition and, in others, for the HDZ. Many will be surprised at the results on both sides. I have seen the candidates of the other parties and I may say that our candidates are not only adequate rivals, but are even dominant. Our results will be the reflection of our work and our program. The HDZ will not get a two-thirds majority and the HSP will become the strongest opposition party.

After the elections, it will not be possible to make any important decision in Croatia without the HSP.

[Malenica] The main question still remains: Which side will the HSP choose, if it acquires the role of tipping the scales?

[Djapic] The HSP will cooperate with those political forces that accept some of our criteria, namely the final liberation of all occupied territories, the prevention of the return of the Serbs who left voluntarily, a revision of the transformation, and the struggle for a better status for Croatian defenders, and, most important, the introduction of high moral criteria for all public posts.

[Malenica] Are you afraid that the votes might be divided among the rightwing parties?

[Djapic] No! The voters who vote for the HSP would never vote for Paraga's people [breakaway Croatian Party of Right 1861] or vice versa. After the elections, things will become clear on the rightwing scene. After the elections, the rightwing movement will stand on its own two feet and become affirmed. Our intention is victory at the next elections in four years' time, because after these elections we will become the number one opposition party and our task will be to come to power.

EU Observers Accuse Croatia of 'Breaches' of Law

LD2710164295 Belgrade TANJUG in English 1313 GMT 27 Oct 95

[FBIS Transcribed Text] Brussels, Oct 27 (TANJUG)—Grave breaches of international law have been committed by the Croatian authorities during and after 'Operation Storm' (August), a report by the European Community Monitor Mission (ECMM) said.

The ECMM said in a confidential report that Croatian authorities bear large responsibility for the killings of Krajina Serbs and burning and looting of their property.

The report said that, contrary to Zagreb's claims, these crimes were mainly carried out by Croatian Army soldiers.

Krajina was devastated in the Croatian attack in early August and 'representatives of international organizations have observed killings and harassments of civilians, looting and burning long after the fighting had stopped,' the report said.

The document said that Croatian authorities initially denied the facts on crimes against Serbs and their property in Krajina, and later accused others—Serbs, 'uncontrollable elements' or 'civilian criminals' dressed in Croatian Army uniforms.

The report said that 'since the beginning of Operation Storm, Serb civilians were killed without any military justification and that monitors witnessed the shelling of Serb refugee convoys around Glina, former sector north.'

'Reports of killings are numerous, especially in the Knin area, where at some point newly killed Serbs were found at a rate of six per day. The most common murder method was a shot in the back of the head or slit throat,' the report said.

The report was prepared by the European Community Monitor Mission team one month after the beginning of the Croatian offensive against the southern and northern parts of the Republic of Serb Krajina, in which over 250,000 Serbs were expulsed.

The document gave concrete examples of killings of Serb civilians and warned that Croatian authorities often prevented monitors from investigating facts on crimes.

The monitors tried to investigate a report that the Croatian Army was burning corpses at a church in Knin but were denied access by a large security presence, the report said.

The ECMM visited 'mass graves in Gracac and counted 71 graves. Among them, 10 were marked with names and the rest only with numbers.'

'Burials were ongoing and a further 10 graves were dug out,' the report said.

The report gives examples of harassments of Serb civilians who remained in Krajina after 'Operation Storm', including one 81 year old woman who had been pistol-whipped by Croatian Army soldiers. She had also been placed in front of a wall and the soldiers fired shot around her head.

During 'Operation Storm', Serb property in the conquered land was looted and burnt with the consent of the highest authorities in Croatia, the report said.

'Virtually all houses were searched for valuables of any kind. The looting included livestock which was taken away live or after having been shot,' the document said.

Croatian Army units, individuals and civilians conducted most of the incidents, in some cases like in the Topusko, Dvor and Donji Lapac areas, the Bosnian Muslim 5th Corps was also involved, the monitors said in their report.

'Throughout the Krajina, houses were burnt and even today more than 5 weeks after the last fighting they are still being burnt,' the report said and added that the destruction of Serb houses in Krajina was alarming and would effectively prevent Serbs from returning.

'ECMM estimates (based on the teams' observations on the ground) that the proportion of burnt down houses in rural area has been around 30 percent in former sector north and 60 percent in former sector south,' the report said and added that one town west of Knin, Kistanja, had been totally destroyed.

The burning of houses and a new law which enables the Croatian Government to control abandoned Serb property, unless the Serb owner shows up in person no later than September 30, indicate that 'Croatia wants to ensure that the Serbs will not return,' the report said.

The report also quotes official reactions of the Croatian authorities which tried to justify the crimes, including an unconvincing statement by a high-ranking Croatian officer who said that 'the destruction of houses in the Plaski area (former sector north) was carried out for safety reasons as the houses were 'full of explosives or booby traps.'

'The achievement of the operation has been the disappearance of a sizeable and unwanted minority,' the reported said and added that 'the few Serbs who remained in the Krajina after 'Operation Storm' have been subjected to a deliberate hostile policy.'

'Therefore, official Croatian statements which invited the Serbs to remain or return must be regarded as being in complete disagreement with reality,' the monitors said in their report.

'Even if these actions were not due to a deliberate official policy, the lack of efficiency showed by the Croatian authorities in controlling and suppressing them for over a month certainly attributes the authorities a large responsibility,' the report concluded.

Slavonia Serb Delegate Discusses Erdut Talks

AU3010215195 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 30 Oct 95 p 5

[Report on interview with Milan Milovanovic, head of the Serb negotiating team at the Croatian-Serb talks in Erdut on 28 October, by Jovanka Simic; place and date not given: "We Do Not Want To Go Into a Ghetto"]

[FBIS Translated Excerpt] The night before last, the representatives of the Srem-Baranja Serbs in Erdut refused to sign the document concerning the final solution for the status of their region as it envisages the rapid, full, and almost unconditional reintegration of the only remaining part of the RSK [Republic of Serb Krajina] in the state of Croatia. [passage omitted]

Unacceptable Provisions

In an exclusive interview for VECERNJE NOVOSTI, Milan Milanovic, head of the Serb negotiating team—which also included Slavko Dokmanovic, head of the Srem-Baranja regional Council, Goran Hadzic, member of the Council, and Major General Dusan Loncar, commander of the Srem-Baranja Corps—has revealed some details of the document that was offered.

[Simic] Have any of the 11 provisions of the agreement taken the objections of your delegation into account?

[Milanovic] We find only the first point relatively acceptable. This point envisages that during the two-year transitional period the international forces govern this region and maintain peace. Other provisions envisage the total demilitarization of the region, the establishment of the Croatian police and administration, and at the end, instead of our proposal to hold a referendum, they envisage elections. No guarantees are mentioned anywhere regarding the peaceful living of our 200,000 residents here, nor is there any mechanism with which the international community would guarantee us these rights.

[Simic] The most discouraging is the ninth provision of the agreement.

Continuation of Negotiations

[Milanovic] This provision gives Croatia the right to post its armed policemen and custom officers on the border with Yugoslavia within a month after demilitarization. This is therefore an express reintegration. In such conditions, the transitional period, even if it were to last 10 years, would not change anything essential. Our region would become a ghetto, unnaturally separated from its mother country of Serbia, and we cannot accept this.

[Simic] The basic principles of this document, which was accepted by both parties in Erdut on 3 October as the starting point for negotiations, do not mention the internationally recognized borders or reintegration.

[Milanovic] Attempts were made in the negotiations in Zagreb and Osijek to introduce this through the back door. International mediators are more skillful diplomats than we, but could not deceive us as we had painful experience with Croatian "democracy" in the western part of the RSK. There were various instances of deceit in the negotiations. First we agreed to hold negotiations until 30 November, and then suddenly a proposal was made that we conclude negotiations one month earlier, by the summit in Ohio. Such a difficult issue cannot be rushed and one cannot expect us to sign something like this in 15 days and in this way push our people into yet another genocide.

[Simic] Where there any threats with NATO?

[Milanovic] The cochairmen proposed that the current Russian-Belgian contingent be replaced with NATO because of the extremely poor material situation of the United Nations. The Croatian side also favored that, but we reminded them that it was only here that the United Nations managed to perform its tasks. The Belgians are part of NATO, the Russians are not. This is therefore a unique opportunity for the two forces to cooperate in this small area. They accepted this but did not want to hear about our proposal that sanctions be introduced against Croatia if it violates human rights in this region, too.

[Simic] How do you explain the fact that the final text of the document was first offered to you to sign it, and then to the Croatian side?

[Milanovic] I am more inclined to believe that the Croatian side had it in its hands a lot earlier than we did, even that it had taken part in its drafting.

[Simic] Do you expect Croatia's aggression on the Srem-Baranja region to happen soon?

[Milanovic] I hope that the negotiations will continue as we have been insisting on the exclusively peaceful solution from the very beginning. If the war does break out, we will fight the best we can.

Serb General Tells Troops War 'Unavoidable'

AU3110123695 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 30 Oct 95

[Telephone report by Zeljko Stojanovic from Erdut]

[FBIS Translated Text] Croatia obviously receives the strong support of the world regarding a possible aggression against the Serb lands. Frequent ceasefire violations, including the latest on the fronts of former Bosnia-Herzegovina, as well as an imminent aggression against Slavonia, Baranja, and Western Srem are a case in point. The Serb side, however, will never sign a document that actually accepts occupation. Milan Milanovic, head of the Slavonia-Baranja district negotiating team, has made that clear. Major General Dusan Loncar, commander of the RSK [Republic of Serb Krajina] Army Slavonia-Baranja Corps, conveyed a similar message, addressing all Serb soldiers.

[Stojanovic] An announcement has been made in the Slavonia-Baranja district:

Soldiers, noncommissioned officers, officers, soldiers of the Slavonia-Baranja Corps, the war imposed on us by the Ustashas of Croatia is unavoidable. All the hopes and efforts of the Serbs in Slavonia, Baranja, and Western Srem to claim, without bloodshed, our right to life in freedom have failed and we have no alternative but to take up our weapons and defend our territory, living conditions, and the survival of our nation. The time has come to show the real value of Serb soldiers in a fight against the Ustashas and become the pride of the entire Serb nation. The fight against the Ustashas will be bitter and bloody, but our victory is guaranteed because we are well-trained, equipped, enduring, and determined to preserve our own land. We must fight bravely to prevent the Ustashas in their special killing and slaughter of Serb mothers, old people, and defenseless Serb children. We must show those servants of Europe, once and for all, that they cannot take what does not belong to them, for they will lose what they are presently holding. I appeal to my Serb brothers, Serb patriots, all those who bear Serbhood on their conscience, to join us in this fight, which boils down to be or not to be, to stay or die. Fellow Serbs, you are obliged to victoriously spread the glory of Serb weapons throughout the Slavonia-Baranja plain. Every assault of the bloodthirsty Ustashas must shatter against the bulwark of our defense. The reputation of our corps must remain untarnished.

Signed by Maj. Gen. Dusan Loncar.

Everybody believes the war with the Croats in Vukovar, Erdut, Borovo Selo, Borovo Naselje, and other towns in the Slavonia-Baranja district is in the offing, and we are all prepared.

Granic Warns of Retaliation if Dubrovnik Attacked

LD3110145295 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 31 Oct 95

[FBIS Translated Text] Croatia considers the Herzegovina Serb artillery attack on the Dubrovnik area on Sunday [29 October], when the parliamentary elections were held, as an act of aggression, Mate Granic, deputy prime minister and foreign minister wrote in a letter to the UN Security Council Chairman Ibrahim Gambari. He particularly stressed that, in view of the fact that the peace process has entered a new and crucial phase with the mediated talks in Dayton, the Croatian Army showed the highest level of restraint. Granic however warned that similar attacks would not be tolerated in the future and that Croatia keeps the right to respond adequately if attacks recur.

Granic Discusses Improved Relations With B-H

AU2710174295 Split SLOBODNA DALMACIJA in Serbo-Croatian 24 Oct 95 p 7

[Interview with Dr. Mate Granic, minister of foreign affairs of the Republic of Croatia, by Olga Ramljak;

place and date not given: "In Cartagena and New York, I Think of—Dubrovnik!"]

[FBIS Translated Text] Dr. Mate Granic is omnipresent on the Croatian political scene. Citizens recognize him as minister of foreign affairs and deputy prime minister, vice chairman of the party in power, and now as the HDZ [Croatian Democratic Community] candidate for a seat in the Chamber of Representatives of the Croatian Parliament in Dubrovnik-Neretva county.

Croatian diplomacy achieved a success without doubt at the summit of the nonaligned nations in Cartagena. Dr. Granic had 20 formal bilateral meetings and some 10 more talks with the ministers, but also with the heads of states and governments. In Cartagena, there were four protocols on the establishment of diplomatic relations between the Republic of Croatia and Costa Rica, Ivory Coast, Ethiopia, and Guinea Bissau. Until the end of this year six more agreed protocols are to be realized with Oman, Syria, Nepal, Sri Lanka, Eritrea, and Kenya.

[Ramljak] Will you be able to present yourself to your electorate during the election campaign, regarding your Foreign Minister's Office, because after Cartagena you are immediately going to New York? When will your voters be able to see you?—we have asked Dr. Granic.

[Granic] My recognizeability, as well as my presence at home with our population, is, so to say, the result of my Foreign Minister's Office. You have to know that there is no successful foreign minister who does not, so to say, stand firmly on the ground. I will follow that premise in presenting myself to the voters. I myself suggested that my party go to the election in an electoral unit. I have chosen southern Croatia to point out the importance of that region and the interest which my party expresses for that region.

No Violent Returns

[Ramljak] Both as a candidate for the Chamber of Representatives and as minister of foreign affairs, you will certainly answer your voters' questions about what will happen to Prevlaka and the Dubrovnik hinterland? Can you also, as Defense Minister Gojko Susak has done, announce to your voters the date when fear of the enemy's shelling of the Dubrovnik area will stop?

[Granic] As minister of foreign affairs and deputy prime minister, I have to be exceptionally careful about pointing out dates. I believe that everything will be over by Christmas. That also includes, of course, Prevlaka, that is, the full territorial integrity of the Republic of Croatia. That means the security of Dubrovnik and its hinterland, too. This move of my party, to send one of its vice chairmen to one of the two most endangered election units is more than symbolic. The experience I had as deputy prime minister in taking care of displaced persons and refugees is not, however, symbolic, so I can fully understand my voters' worries and expectations.

[Ramljak] One more inevitable question of current politics is the question of respecting or violating human rights. Croatia is being severely accused of violating human rights in the territories liberated by Operation Storm. What is your answer to that criticism?

[Granic] Operation Storm was carried out in a brilliant and professional manner. It was followed by clear and good diplomatic activity. That is unquestionable for everybody. After Operation Storm some incidents occurred that, in a way, discredit Croatia. There were houses set on fire, cases of plundering, even murders. We have tried to prevent that from the very beginning, and we condemn such things consistently. I have to repeat that there have been some emotional reactions of some of 120,000 returnees whose houses were devastated long ago, their property destroyed, and churches leveled to the ground. I also repeat that Croatia is prepared to publicly investigate any cases cited and prepared to publicly announce investigation results. We will severely prosecute all criminals.

[Ramljak] You mentioned taking care of the displaced and refugees, with which you dealt before coming to the Department of Foreign Affairs. What is true in the criticism directed at Croatia, saying that Croatia has been forcefully returning refugees from Bosnia into still uncertain territory of Bosnia-Herzegovina?

[Granic] In Europe, Croatia has taken the largest burden of humanitarian aid to the displaced and refugees. It is still so. Europe, it is true, has been helping in part with humanitarian aid, but it has not been enough. The return of all the displaced and refugees to their homes is in the common interest of Bosnia-Herzegovina and Croatia. However, the official Croatian stand, which has also been consistently respected in practice, is that nobody should be forcefully returned and without an agreement with the Federation of Bosnia-Herzegovina. Those who return go only to safe places, according to international law, which is in line with the strategic interests of Croatia and Bosnia-Herzegovina. An evidence of that is also the information that we have had no protests by refugees, and Mrs. Ogata's meeting with Minister Adalbert Rebic did not result in any such conclusion.

[Ramljak] And what about the criticism of the Republic of Croatia's relations with Bosnia-Herzegovina?

[Granic] I remind you of the support that Croatia was the first to give its neighboring country, where Croatia first appointed its ambassador, and I particularly remind you of the help Croatia gave in the initial repulsion of Serbian aggression. Before signing the Washington treaty, Croatia was the only one to lend its hand to Bosnia-Herzegovina, and this was also the case after the fall of Zepa and Srebrenica, when there were many displaced and even 6,000 to 8,000 killed. That was when Gorazde was facing its fall and Bihac was besieged. Then, NATO's declaration arrived, but there was no country that had done anything to help Bosnia-Herzegovina. Only Croatia offered its hand and signed the Split Declaration. This declaration represents the turning point in the war, and it was in good part done by Croatian diplomacy, too, that is, state policy. Only after that came Operation Summer, Mistral, the liberation of western Bosnia-Herzegovina. All of this would never have happened, had the Republic of Croatia not helped the Army of Bosnia-Herzegovina. Those are the facts that speak for themselves.

Pressures on Croatia

The communications between Presidents Izetbegovic and Tudjman, between the ministers of foreign affairs of the two countries, are constantly improving, and we are particularly encouraged after the talks between Mr. Izetbegovic, Ganic, and Kresimir Zubak. The international community has said everything else about the organization of Bosnia-Herzegovina, and Croatia really cannot be reproached for anything. Although it is already absurd to repeat that, there has been absolutely no agreement between President Tudjman and Serbian President Milosevic. Events prove that. Croatia wants the Croats in Bosnia-Herzegovina to provide for their survival, development, and equality through the Federation of Bosnia-Herzegovina and association with Croatia. And it will be provided for.

[Ramljak] Where do those pressures on Croatia come from, the pressures connected with the interpretation of Croatia's intentions, exaggeration of its guilt in even the smallest oversight?

[Granic] It has been done by the very people who were against an independent Croatia, who would like to see us in an association of any kind, which would join the area from Slovenia to Bulgaria. Croatia is very much against it, and it will never ever be in any kind of association with Belgrade. We are ready to have neighborliness after the mutual recognition and reintegration of the still occupied territories into the state and legal system.

Croatia is, by its economic potential, by its geographic and strategic position, but also by its development of both democracy and market, above such association. Croatia will ask for the same standards for everybody but which will be applied to every country separately, not to have to tow the heritage of the former state which had not achieved European standards in development. It is Croatia's interest that Bosnia-Herzegovina achieves as soon as possible the standard which will facilitate its full integration into Europe.

The pressures in certain media on President Tudjman fall into the same group, as a part of total pressure at the end of negotiations to soften Croatia and possibly force it to compromise.

[Ramljak] After the talks in Erdut, there was optimism in the Croatian public, too, regarding the peaceful reintegration of the still occupied Croatian territories. The negotiations, meanwhile, got stuck. What are we to expect?

[Granic] It is true that for the first time it was possible to express moderate optimism for peaceful reintegration, and that was because a strong state—in the military and diplomatic sense, a state like Croatia today—is a guarantee of reintegration of the still occupied territory. We have said that clearly to our partners and in the United Nations. That is a part of achieving peace in this region. The negotiations with the Croatian Serbs from the occupied territories of eastern Slavonia, Baranja, and western Srijem, patiently conducted by Hrvoje Sarinic, have a chance to result in the peaceful reintegration of those territories into Croatia's state and legal system. All major international factors are interested in it. However, Croatia will not stand for postponing the solution. We want the whole process to finish at the latest by the end of the U.S. peace initiative.

Better Days of the South

[Ramljak] What role does Croatia want to have in the nonaligned movement?

[Granic] Croatia has an observer status and it will stay so. Our strategic interest is to enter European integration, but we also want to develop good economic and political relations with moderate Islamic countries and South American and African countries. So, Croatia wants to be present among the nonaligned, too, which we proved also by signing a protocol on the establishment of diplomatic relations with nonaligned countries.

[Ramljak] After the summit of the nonaligned nations, you are already at the celebration of the United Nation's 50th anniversary in New York. What will follow on the agenda of diplomatic activities?

[Granic] Peace in the region has to be connected with peace in Bosnia-Herzegovina and with the final reintegration of Croatia's occupied regions. One has to see what will be done in that respect in the tripartite presidential negotiations in the United States. If the negotiations succeed, there will also be conferences in London and Paris. We want to finally finish with negotiations with Slovenia, and with Italy on minority protection and economic cooperation.

[Ramljak] Let us get back to the elections. There is little time in your diplomatic agenda for election activities. What will Mate Granic offer to the voters in his electoral unit?

[Granic] Since the beginning of the war I have been observing that region and I have been in charge of it in the government. I know all the problems that have to be solved. In first place I put the question of security, then communications with the islands and with other parts of Croatia. At the highest level there has been agreement on the high priority of the superhighway from Rijeka to Dubrovnik, and another priority is the construction of small airports and improvement in maritime communications, while a new draft law should also contribute to the development of the Adriatic islands.

In the Neretva valley it is important to denationalize property and restructure large agricultural systems and provide for the arrival of international capital. The issue of water supply is essential for the entire electoral unit. However, the largest contribution to the development on the whole will be the return of tourism. This county needs help from the Republic of Croatia to become the engine of development for the other parts of our common state.

I think that my deputy in these elections, Mr. Obuljen, is a successful mayor of Dubrovnik, a combination which, in that sense, can contribute the most in this electoral unit, and that it is the only combination which can grant that the region of the county of Dubrovnik-Neretva will be represented successfully in both the parliament, the government, and abroad.

Commentary: FRY Army Rehearsing Intervention

AU3110074295 Split NEDJELJNA DALMACIJA in Serbo-Croatian 27 Oct 95 pp 14-15

[Commentary by Emil Vidusic: "Intimidation on the Danube"]

[FBIS Translated Text] Politicians often try to convince the public that they are doing everything to prevent a (new) war, while usually frowning generals wholeheartedly try to convince us that it is unfortunately inevitable and they are personally doing everything they can to finish it off as soon as possible.

Comparing the endless African, Asian, and Latin American wars of low intensity, to a short armed conflict, such as the Baltic states against Russia or Slovenia and former SFRJ [Socialist Federative Republic of Yugoslavia], without doubt a new conclusion is imposed on a new experience. War is too serious a thing to be entrusted to the generals, but it is also sometimes bad to entrust it to weak-minded politicians.

Only if one looks at the last week's events in the only still unliberated part of the Republic of Croatia—eastern Slavonia, Baranja, and western Srijem in that way can one understand the political "restraint" of the Serb leaders in Beli Manastir and the bombast and pathos of the generals in Vukovar.

While Hadzic [eastern Slavonian Serb leader] pretends to advocate a peaceful solution to the problem, his colleague, General Dusan Loncar, commander of the 11th Slavonia-Baranja Corps, on Vukovar TV broadcasts a direct, belligerent proclamation to his "officers, noncommissioned officers, soldiers, and fighters" to realize that "there is nothing left to them but to defend their territory with arms and provide the conditions for life and survival," and that "the time has come to show the real worth of Serb warriors and win honor for the Serb nation in the battle against Ustasha [World War II Croatian fascists] combatants."

No Peace on Fruska Gora

Such proclamations by these self-styled state officials occurred exactly at a time when Zagreb wants, if at all possible, to solve the problem of the eastern Croatian beachhead peacefully. At the same time as their statements, the Yugoslav Army in western Vojvodina was carrying out its annual joint tactical exercise of an interventionist type, including firing practice. Apart from ground forces, the River Gunboat Flotilla from Novi Sad, the Yugoslav Army's airborne troops, and the air force and air defense were participating and, during the several days of maneuvers, was clearly demonstrating a power and strength quite unlike the confused and disorganized units of Gen. Loncar's "domestic" corps.

It is indicative that it was a large and important exercise, because Gen. Momcilo Perisic, Yugoslav Army chief of staff, was also present. The exercise involved, immediately after the Belgrade Corps, the second in strength 12th Novi Sad Corps.

The task of the exercise was to organize a quick counterattack and to maintain a persistent defense after capturing a "certain" area. The command of the 1st Army, to which the 12th Corps belongs, has ordered the role and the task of this corps as a rapid reaction force in the endangered "Serb" territory and to provide support to the 11th Slavonia-Baranja Corps in the event that the Croatian Army starts a sudden military operation against eastern Slavonia, Baranja, and western Srijem.

Therefore, last week there was no peace at the Yugoslav Army's operational center on Fruska Gora and among the Srijem and Slavonian oak trees. Everything was on the move. On the ground, in the air, and on the Danube. During the course of the exercise, several paramilitary commando groups from Serbia crossed the Danube River into Croatia to link up with "Arkan's men" there, after the latter's debacle in Kljuc and Mrkonjic Grad.

Analyzing the structure of the forces involved, it is easy to see that the objectives of the exercise with firing practice were much greater than the professed explanations for public consumption. The firing practice was intended for the fighting personnel at the front lines; however, the essence of the exercise was to train at the tactical level command staff to take part in the battles with higher tactical and operational objectives.

Up to 2,000 elite members on a river minesweeper, amphibious and airborne troops, and units of engineers were being trained to provide urgent support for the so-called 11th Slavonia-Baranja Corps in case the Croatian Air Force bombs the bridges on the Danube before the possible military operation to liberate the occupied area, and thus cut contact between the two bodies of Serbs.

The Vulnerable Novi Sad Corps

By operational and tactical camouflage and propaganda misinformation for the local population, the command of the 12th Corps was trying to cover up the way of supporting the 11th Corps with firing practice. The rapid movement of the Novi Sad Corps across the Danube is of extreme importance for the survival of the 11th Corps, but the maneuver is also important to the 12th Corps, in case the development of events on the beachhead starts taking an unfavorable course as a result of Croatian Army successes, so that parts or even the whole Belgrade Corps, which is also a part of the 1st Army Group of the Yugoslav Army, can intervene.

The reason for the involvement of the River Gunboat Flotilla is the vulnerability of both, particularly the 12th Corps, during the storming of the Danube under unfavorable tactical conditions. Fast movement is the weakest point of the corps. A bottleneck would not, however, be due to a lack of armored personnel carriers or helicopters, or amphibious river boats, but the bone in the throat of rapid mobility could be unsafe or destroyed bridges and, even more important, floating river mines which could go into the Danube from the Drava.

A task force of obsolete Class 301 river minesweepers constructed back in the 1950s, and the marginally more up-to-date "Nestin" minesweepers constructed toward the end of the 1970s at the Belgrade shipyard have been "combing through" the main stream of the navigable Danube waterway, searching for magnetic and acoustic mines, so as to secure military traffic and other engineering on the river during war, for instance, putting pontoon bridges across and refloating stranded vessels. Surely, the Croatian Army will have to respect these potential aggressor forces, because in Operations Flash and Storm the Croatian Army did not encounter them.

After the boats swept for mines and thus secured satisfactory security for navigation and the engineers and pontoon bridge engineers did their jobs, under protection of an air force umbrella and mortar fire from their own bank of the river, the amphibious forces seized the other bank, escorted by the river gunboats.

The first amphibious wave was not too heavy, but it certainly presupposed a unit of battalion strength. Its task was to provide a beachhead on the opposite bank to receive the ground forces, whose task was to continue combat activities toward the Croatian Army's positions. Simultaneously, according to the general idea of the exercise, at the far end of the battlefield, the helicopters carried out a helicopter-borne infantry attack, with the aim to take the Osijek tourist airport. When the air- and river-borne assaults were over, the exercise concluded with a frenzy of mad firing from all kinds of weapons, what they call firing practice over there.

Nevertheless, whatever we might think of the strength of the Yugoslav Army, the exercise was instructive. Because the Novi Sad Corps will sooner or later certainly get involved in the event of the military reintegration of the occupied area into the state and legal system of Croatia. River- and air-borne assaults "thrown" behind the back of the Croatian Army should weaken the assault strength of the Croatian forces. And both things irrevocably confirm that the 11th Slavonia-Baranja Corps is defenseless on its own, no matter how much and how General Loncar entreats the Serb warriors to take up arms.

German Ambassador on Proposed 'Marshall Plan'

AU3110120895 Skopje MIC in English 30 Oct 95

[FBIS Transcribed Text] "The proposal of the German Prime Minister Klaus Kinkel for the 'Marshall plan' for Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] does not apply to this country alone, but in general, to building up the countries of former Yugoslavia. It will not be a separate institution, but realization of the help through the existing instruments of the European Union. In addition, that will not be help from Germany alone, and only as part of the bilateral German-Macedonian relations," the acting German ambassador to the Republic of Macedonia Paul Dietrich told MAKPRESS.

"Macedonia is an especially important partner to us. Chiefly because of its peace-loving policy in the region. It will have a reflection not only on a political, but also on an economic plan. So far, the help was mainly technical, but from now on, it will also be realized through concrete financial help. Germany will make strong efforts to expand the bilateral cooperation and to strengthen the relations with the EU."

"In the period ahead," Dietrich says, "the economic help will pertain to the railway line toward Bulgaria, the irrigation systems and the hydro-dams Turkey, Ilovica and Mantovo, the ecological measures for the Dojran and Prespa Lake, the projects of the food industry, primarily in the field of control of the food products, support of the Macedonian companies for participation in the international fairs, the promotion of Macedonian exports, mainly textiles and wine.

Last year, Germany allocated Macedonia technical help to the amount of 6 million German marks [DM], and a credit of DM15 million. So far, the overall German help for Macedonia amounts to DM48 million," Dietrich said.

"This year, that help is much greater, and with a tendency to keep increasing in the coming years. Our efforts, as a country with the highest percentage of participation in the EU contributions, 28 percent will be used to incorporate Macedonia in the European programs, like the PHARE [Economic Reconstruction Aid for Poland and Hungary] program, which should also happen in a couple of weeks," Paul Dietrich said.

OSCE Recommends Improving Ties With Albanians

AU3110141095 Skopje MIC in English 30 Oct 95

[FBIS Transcribed Text] The OSCE [Organization for Security and Cooperation in Europe] High Commission on Minorities Max van der Stoel stated that Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] has been recommended to improve its relations with the Albanian minority. Speaking about his activities in former Yugoslavia, at the two-day meeting of the OSCE High Council in Prague, van der Stoel added that an improvement of the relations can be achieved through the educational system and through greater presence of the Albanians in Macedonia in the state administration. He assessed that his Commissariat was exceptionally active in Macedonia, unlike the other former Yugoslav regions, where, as he said, there is no more work for him, because "it ends when the conflicts start."

Tetovo 'University' Official: Work 'Continuing'

AU3110132995 Skopje MIC in English 30 Oct 95

[FBIS Transcribed Text] The self-proclaimed president of the illegal university in Tetovo Fadil Sulejmani said at the news conference held in Tetovo on Friday: "Although the retrogressive forces in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] tried to obstruct the wish of the people for education, thanks to precisely that support from the people and the determination of the students and professors, the University in Tetovo is continuing its work."

The president of the illegal university informed that the University has six faculties, 1,259 students, 17 lecture halls, three laboratories, a library, administrative offices, etc. According to Sulejmani, the university is working as part of the educational system in Macedonia, which he argues with the fact that it is founded by the Albanian political subjects and three municipal assemblies, which also function in Macedonia's state system. "Lately, it is becoming clear that the Macedonian Government has started developing a moderate policy for the realization of the cultural rights of its citizens, regardless of nation, race and religion. This is making us optimistic that the Government will change its old bolshevist policy toward us, the Albanians, and that it will not discriminate us as before," Sulejmani said, who couldn't answer a journalists' question as to where this impression comes from that the Government has taken on a more moderate attitude toward the activities of the University.

According to Sulejmani, the activities of the University are not against the Government and therefore it should publicly apologize for closing it down, and appropriately compensate for lost time.

Lech Kaczynski Out of Presidential Race

LD3010175595 Warsaw PAP in Polish 1709 GMT 30 Oct 95

[FBIS Translated Text] Warsaw, 30 Oct — Lech Kaczynski decided today to resign from running for president, Ludwik Dorn, head of the national election committee of the Center Alliance candidate, told PAP.

Kaczynski submitted his resignation to the State Electoral Commission. He also canceled a news conference planned for 1800 hours.

After Marek Markiewicz's resignation on Sunday, there are still 15 candidates running for the office.

Zielinski Refuses To Withdraw From Race

LD3010191695 Warsaw Polskie Radio First Program Network in Polish 0900 GMT 30 Oct 95

[FBIS Translated Text] Professor Tadeusz Zielinski, who is one of the candidates for the presidential office, has said he will not give in to the attempts to persuade him to withdraw his candidacy in favor of another candidate. According to Prof. Zielinski, the movement of support among presidential candidates is incompatible with the democratic principles of the elections and is against the expectations of voters who support these candidates.

[Begin Zielinski recording] You cannot treat the voters in an instrumental manner by treating their votes as an object of political bargaining among the party leaders and the candidates. I want to state that I do not intend to take part in these kinds of negotiations, and I will not yield to the attempts to persuade me to withdraw my candidacy in favor of any other candidate. [end recording]

Tadeusz Zielinski has criticized the Freedom Union candidate [Jacek Kuron] for revealing the names of the people who would work in the Presidential Chancellery if Kuron won the elections. Zielinski will disclose the list of his staff immediately after the elections. Because Prof. Zielinski intends to be a president above all divisions, it cannot be ruled out that some people mentioned by Jacek Kuron and other candidates will find themselves in the Chancellery.

[Begin Zielinski recording] I regard the allocation of offices before the election is won as inappropriate as trading in posts based on preelection political setups organized by political parties. [end recording]

Waltz's Electoral Platform Detailed

WS3010143295 Warsaw GAZETA WYBORCZA in Polish 11 Oct 95 p 16

[Main theses of Hanna Gronkiewicz-Waltz's election platform: "Let Us Take Care of Poland"—ellipses as published]

[FBIS Translated Text]

1. Reconstruction of the Social and Economic System

(...) The prime goal of economic reforms should create conditions that foster a dynamic and sustained economic growth that would:

—resolve the most acute social problems; such as unemployment, poverty, lack of housing;

—improve the condition of citizens and their families and increase their income;

—effectively carry out integration processes with NATO and the EU that are vital for the country's internal and external security.

The economic development of Poland, that is, achieving and sustaining a high rate of economic growth, requires:

—measures to overcome the collapse of the national budget through sweeping reform of health and pension insurance systems and decentralization of public finances;

—a significant curtailment of state-owned property, which should be replaced by the development of private property and a profound reform of the economic management system by the total enfranchisement of the people;

—refusal of the state to restrain economic activities, particularly in the area of supporting new businesses;

—a new tax policy—stimulating production and incomes of enterprises and citizens and envisioning a comprehensive reduction of the tax burden. (...)

Elimination of the crisis of public finances has a profound significance for a sustained economic growth, which is vital for the resolution of social issues, as well as reconstruction and consolidation of the state.

This calls for a radical overhaul of the pension and health insurance systems, which should be implemented based on the economic growth. (...)

(...) Creation of a new and efficient pension insurance system should be directly connected and implemented simultaneously with the radical change in the ownership structure and economic management—the program of massive enfranchisement of people. (...) The policy supporting economic growth should provide for a comprehensive reduction of the tax burden. (...) First of all, one should dramatically lower (up to 20-30 percent) the income tax brackets. (...)

The state should replace its present policy of temporarily "easing the consequences of unemployment" with an economic program ensuring realistic chances of resolving this problem. It is necessary that it adopt a policy of lowering taxes and additional levies on wages, curtailing the scope of administrative interference with the economy, and supporting emergence and development of enterprises. (...)

An economic growth which encourages competition among employers [who seek qualified workers] is the most efficient way to resolve social problems in any society.

2. A New State—Constitutional System, Decentralization of the State—Self-Government Reform, Reconstruction of the Administration

(...) The Third Polish Republic, ruled by a new constitution that would underly the continuity of the state, should definitely settle accounts with the past, interrupting the legal and political continuity of the Polish People's Republic as an element of the illegal communist system.

Serving as the foundation of the political and economic system, the Constitution would define the Polish Republic as a democratic law-governed state, which is an asset jointly owned by all citizens. It would also guarantee intrinsic human rights and civil freedoms. Constitutional provisions would define, in a modern manner, a hierarchy of power branches which will stabilize the reconstructed legal system. This would also allow for implementing a principle of supportive nature of the state [as published]. (...)

The decentralization of the public administration and budget system is a condition necessary for reconstructing the state and economy. (...)

Poland should be governed not by ministries, but on a territorial basis. This applies to both nationwide and local issues. We need a strong and efficient, albeit limited, central power. On the other hand, local self-governments should be granted powers to handle local issues connected with satisfying community and territorial interests.

Main directions of a reform intended to decentralize the public administration should include:

—decentralization of public responsibilities that will be assumed by expanded local democratic structures—the self- government reform (creating powiat [previously existing administrative unit] self-governments in addition to gmina [smallest administrative unit] self-governments and later, voivodship self-governments)

—improving the territorial system by introducing powiats and creating a dozen trong and large voivodships;

—increasing efficiency of the central executive power and bringing order into the central, territorial, and government administrations;

—increasing the efficiency of utilization of public funds;

—building a modern public administration system.

The social value and political sense of the reform program lies in making a citizen a subject and target of those transformations.

3. State Security: Foreign Policy, Defense, Internal Security

Foreign policy. Only Poland's admission to NATO—the only realistic and efficient security system in Europe—will strengthen sovereignty of our state and ensure a reliable protection of our borders. This move also has an immense economic importance, as it will reduce risks connected with making investments in Poland.

Poland should be admitted to the EU based on respect of its position, and economic and national interests. (...) While developing equal cooperation with EU countries, Poland should support any integration initiatives, while placing emphasis on the need to preserve the national nature and distinctive features of EU member countries. This is a concept of a Europe of Homelands.

Of particular importance for our country will be the task of developing as good relations with the United States as possible and stressing the necessity of permanent political and military presence of the United States in Europe.

Also very important for Poland will be the development of good and partnership-like cooperation with Germany—a state that is currently a committed supporter of Poland's admission to European structures.

As an EU member, Poland will be interested in developing direct cooperation with all members of the EU—particularly with Great Britain, France, and Italy—on the same principles as the ones that would determine our relations with Germany.

Because of its historic traditions and the special role of the Vatican in Europe and the world, Poland should seek to ratify the Concordat with the Vatican as soon as possible.

Poland's fundamental goal should be creating a zone of stability and successful development in Central Europe.

It would also be in the interests of Poland if Lithuania, Latvia, Estonia, and Ukraine preserve their independence. Ukrainian independence is a factor capable of strengthening security for our country and our position in Central Europe. Cooperation with these countries serves the strategic interests of our state. There is no discrepancy between Poland's interests in the West and a constructive policy in Central and Eastern Europe.

As an important political and economic center in Central and East Europe, Poland will be a more attractive candidate for membership in NATO and the EU. (...)

Implementation of Polish foreign policy, ensuring security for Poland, remains in close correlation with the ability of the state to forge an efficient defense system. This should become one of the major tasks facing the state. (...) A pivotal factor determining ability of our state to meet the criteria of membership in the North-Atlantic alliance is adoption of legal and organizational measures that would unquestionably guarantee the principle of civilian control over the Army.

Polish military doctrine should provide for the earliest possible adjustment of the Polish command, communications, and antiaircraft protection systems to NATO standards. (...) It should also make military strategy based on creation and expansion of the territorial defense system and troops. (...)

The Polish Army should have equipment that is made primarily by the Polish arms industry. Its development should be in agreement with the Army's plans and demand for high-quality weapons and equipment and, in general, meet the requirements of the Armed Forces, which are going to integrate with NATO structures.

(...) Principal goals and tasks of state authorities in the national security sphere include:

—improving the efficiency of prosecutors, the police, courts, and customs services;

—introducing new principles of reviewing professional skills and promotion policies, which should be based on professionalism, loyalty to the state, and high ethical standards;

—improving equipment and conditions of public servants and functionaries and raising their salaries;

—reorganizing the Interior Affairs Ministry;

—strengthening the personnel and logistical support of the police and customs services;

—introducing structural and organizational changes in the police, intended to curtail administrative powers and positions and to shift as many positions to principal levels as possible (reconstruction of the Main Command); increasing the number of functionaries, introducing radical decentralization; putting emphasis on strengthening the investigative division's basic operational services; and reinstating special units and divisions which combat economic crimes;

—toughening punishment for crimes committed against people's life, health, and property, as well as countermeasures against organized crime;

—toughening the liberal incarceration conditions, particularly those applied against recidivists;

—radically increasing the severity of economic punitive measures, especially those applied against large-scale economic scandals;

—increasing the types of economic crime and entities that can be punished by law, toughening sanctions that those laws impose, and narrowing the field of economic activities conducted by government officials.

4. The Profamily Policy of the State

(...) The family is something more than just a legal, social, or economic entity. It constitutes a unity of love and solidarity and is the only force capable of teaching and instilling moral, spiritual, religious, cultural, and social values vital for the development of man and the entire society.

Rights must be complied with in all spheres of life—in the social, political, and economic spheres. The state should ensure them legal protection, while economic development of the state, serving as a foundation for its strength, should result in economic security and growing living standards of every Polish family. (...)

The family and the creativity of its members allow them to accumulate savings which, turned into investments, become a propellant of economic growth. The economic growth, in turn, ensures growing standards of living and wealth for the family. In a modern market economy, there is a close correlation between the economic condition of enterprises and the entire economy, on the one hand, and the economic situation of a family, on the other hand. Therefore, the strengthening of the family is the foundation of the nation's life. (...)

Commitments for the Nation

(...) If elected to the position of the president of the Polish Republic, I will undertake consistent measures intended to implement the present program and assume an obligation to:

First, prepare draft laws that will allow the introduction of:

—reform of the pension and health insurance systems, along with the program of mass enfranchisement of people and new tax policies;

—a program of state decentralization—reforms of self-government and state administration;

—a program of strengthening Poland's sovereignty and its international position, as well as its defensive condition and public order;

—a program of the state's profamily policy;

Second, undertake all actions lying within the president's powers intended to approve a new constitution of the Third Polish Republic. This constitution will be designed to implement principles and provisions contained in the present program;

Third, create a broad and democratic political bloc, which is pro-Solidarity and patriotic and which, in cooperation with the president and through participation in legislative elections and creation of a government, will fulfill the present plan;

Fourth, undertake legal measures intended to remove all political and institutional obstacles that would hamper implementation of this plan.

Waltz Interviewed on Backing, Chances, Walesa

WS3110130595 Warsaw ZYCIE WARSZAWY in Polish 30 Oct 95 p 2

[Interview with presidential candidate Hanna Gronkiewicz-Waltz by Igor Zalewski and Piotr Zaremba; place and date not given: "I Am Not for Yesterday but for Today and Tomorrow"]

[FBIS Translated Text] [ZYCIE WARSZAWY] How can you explain the fact that your ratings in opinion polls have slumped so much? Your beginnings looked very promising.

[Gronkiewicz-Waltz] President Lech Walesa has the ability to take advantage of people's fears. He is presenting himself as the only one who is able to ensure a sense of security. Another reason is the attitude adopted by the media. Polish television has been publicizing my campaign very feebly.

[ZYCIE WARSZAWY] Perhaps some mistakes have been made in the campaign? Christian-National Union [ZChN] Chairman Ryszard Czarnecki, who was your supporter until recently, says that the reason for the fall in your ratings was unnecessary attacks on other Solidarity candidates, especially Lech Walesa. Maciej Jankowski of Solidarity ["S"] has expressed a similar view.

[Gronkiewicz-Waltz] I spoke about the consequences of the Kwasniewski-Walesa alternative. Therefore, it was necessary to assess the current term of Lech Walesa. Incidentally, I assessed it half a year ago, when I said that the incumbent president had strengthened the left leg.

[ZYCIE WARSZAWY] Still, half a year ago you were confined to doing only this. Now you have gone much further. You are talking about the chaos that has been caused by his presidency.

[Gronkiewicz-Waltz] There is increasingly greater chaos to be seen in the president's campaign. Let me recall two very disturbing interviews: one for GAZETA WYBORCZA and the other for WPROST. He spoke clearly about escalating social conflicts and about his readiness to put them down. I object to that. I want support from those who want a normal, peaceful Poland.

[ZYCIE WARSZAWY] Do you believe that the man who has overthrown communism may pose a threat to democracy?

[Gronkiewicz-Waltz] He is certainly not creating conditions for its normal development. The president always acts alone. I do not believe he will try to set up a bloc. He has already had such an opportunity; it was right after he was elected to office. The Solidarity camp never received any support from the president. After all, in 1993 [Sejm] Speaker Wieslaw Chrzanowski warned the president that, as a result of new elections, the right wing may no longer have any seats in the parliament because this right wing was only just forming. However, Walesa did not take his advice. His personal interests were more important to him.

[ZYCIE WARSZAWY] What about Kwasniewski, the other part of this alternative?

[Gronkiewicz-Waltz] He is another personification of "socialism with a human face." There was a time when we had Bierut, who first went hand in hand with [Primate] Hlond and then had Primate Wyszynski arrested. Afterward, many people believed in Gomulka, in Gierek. He is the same product, but in a European wrapping.

[ZYCIE WARSZAWY] Is there any evidence that Kwasniewski will want to restore socialism in our country?

[Gronkiewicz-Waltz] He tends to support a mixed economy. He is also prejudiced against mass privatization.

[ZYCIE WARSZAWY] However, here is what the right wing is saying: It is the postcommunists who have gained the most in the capitalist transformations.

[Gronkiewicz-Waltz] They have taken advantage of pathological forms of capitalism, such as *nomenklatura* companies. Now they are reaping the benefits by sitting on supervisory boards of all kinds of companies. "S" did not eliminate en masse the people who were linked to the previous system. Despite Kwasniewski's promises, since 1993 we have been witnessing de-Solidarization.

[ZYCIE WARSZAWY] You also say that Kwasniewski's victory may shut our door to NATO. After all, the leader of the Democratic Left Alliance [SLD] declares that he is a politician who is consistently pro-Western.

[Gronkiewicz-Waltz] Here is what he says: First EU, then NATO. One cannot look upon Austria or Sweden as models to follow. These are neutral states and they want to stay that way. Poland's situation is different.

[ZYCIE WARSZAWY] Recently, with his activeness President Walesa has been successfully gaining the support of the people: such things as ordering an enfranchisement referendum, announcing a veto on the new tax law...

[Gronkiewicz-Waltz] He has been acting chaotically and inconsistently. First, he praised the new six-bracket tax law, and then suddenly he announced that he would veto it. This is pure instrumentalism.

[ZYCIE WARSZAWY] What taxes should we pay in Poland, do you think?

[Gronkiewicz-Waltz] We should pay 20-, 30-, and 40-percent taxes. The coalition has not kept its promise that it will restore these taxes. As a consequence, our taxes are higher than that. A condition for further lowering of taxes is larger-scale mass privatization as well as a reform of the pension system.

[ZYCIE WARSZAWY] President Walesa praised the reduction of taxes paid by the poorest. The governing coalition praised it even more.

[Gronkiewicz-Waltz] If he had wanted to improve the situation of the poorest, the president could have launched a legislative initiative resolving the problem of retirement pension reform.

[ZYCIE WARSZAWY] What about the enfranchisement referendum? Walesa has gained the support of "S" thanks to that.

[Gronkiewicz-Waltz] I am an advocate of mass coupon privatization, such as the one implemented in the Czech Republic. However, I am not convinced that holding such a referendum is a good idea. Except for the most fundamental issues, such as the Constitution and integration into the EU, holding such a referendum means some kind of escape of various administrative organs from responsibility. Later on, when mass enfranchisement is criticized, they will be able to say: After all, you wanted it.

[ZYCIE WARSZAWY] Why did "S" not feel attracted to you, and why did it decide to back the incumbent president?

[Gronkiewicz-Waltz] People tend to choose something that is well known, even though it is not very good. One could draw the following conclusion: An umbrella with a hole is good enough because it is, after all, an umbrella.

[ZYCIE WARSZAWY] Well, then, please offer an umbrella, but one without a hole. Why is it worthwhile to take the risk and back you up?

[Gronkiewicz-Waltz] "S" always looked ahead, even if it wanted a change of the political system, which seemed impossible. It is worthwhile to invest in a competent and professional president. I base my campaign not on fears but on the conviction that new a leadership will yield better results to the Solidarity camp in the parliamentary elections.

[ZYCIE WARSZAWY] You have tried, and maybe you are still trying, to reach an agreement with a few other candidates. Why should Jacek Kuron's voters support you?

[Gronkiewicz-Waltz] If those voters do not want the Kwasniewski-Walesa alternative, they should vote for me because I am a center-rightist candidate.

[ZYCIE WARSZAWY] Recently you have been mentioning something else—an agreement regarding the parliamentary elections.

[Gronkiewicz-Waltz] This is an offer for all those who have center-rightist views and who disapprove of the idea of forming an alliance with the SLD. This is an offer for those who are in favor of both a free market and traditional values.

[ZYCIE WARSZAWY] Is it also an offer for the Freedom Union [UW]?

[Gronkiewicz-Waltz] It is an offer for those members of the ZChN who do not believe that such a bloc can be established by Lech Walesa, and for those UW supporters who do not approve of its party's swerving to the left.

[ZYCIE WARSZAWY] However, perhaps Walesa would be a better person to establish such a bloc? Now it is in his interests to do it because he will not be able to effectively deal with the postcommunist parliament. "The time of Robin Hoods is over," he says.

[Gronkiewicz-Waltz] He will never subject himself to democratic procedures such as, for example, Tadeusz Mazowiecki did. He split with everyone—first with the Center Accord [PC], and then he very quickly distanced himself even from the Non-Party Bloc in Support of Reforms [BBWR]. The method he is using is: Divide and rule.

[ZYCIE WARSZAWY] Would there be room for the PC in the bloc you are talking about? Its leaders have criticized you quite severely.

[Gronkiewicz-Waltz] There is room for all those who have Solidarity roots.

[ZYCIE WARSZAWY] For the time being, the camp that began to form around you has suddenly broken up.

[Gronkiewicz-Waltz] There has been a split in the ZChN all along. Part of the group would not accept my candidacy, and those people said openly that they would do their best to have this decision changed. It is not my intention to drive wedges in other groups. In my campaign staffs there are members of the parties that endorsed Walesa—the Party of Christian Democrats and even the BBWR. The chairwoman of my staff is a member of the BBWR.

[ZYCIE WARSZAWY] That is true, but the ZChN as a party has turned its back on you. Does this mean that the church has also begun treating you as a person less credible than Walesa?

[Gronkiewicz-Waltz] This is a problem of the ZChN's credibility. I was not a candidate of this party; I was and still am a nonaligned candidate. There were and still are many such parties. As for the church, there were attempts to persuade voters to treat me as an exclusively church candidate. For example, when I was already officially running in the elections, Polish television happened to show me taking part in the official harvest holiday.

[ZYCIE WARSZAWY] Let us come back to Walesa once again. Does it pay to attack him so much? After all, he may be the only weapon capable of preventing Kwasniewski's victory in the second round.

[Gronkiewicz-Waltz] A real chance is a totally different model of the presidency. Kwasniewski is a candidate for the day before yesterday. Walesa is for yesterday. I am for today and tomorrow.

[ZYCIE WARSZAWY] However, what if time stands still for a while? Yesterday is better than the day before yesterday.

[Gronkiewicz-Waltz] There are many people who are undecided. I believe in the possibility of reversing this trend. Jospin thought that he would be the French president, but the winner of the elections was Chirac. Moreover, in your question one could find traces of untimely fears. Such fears give Walesa an advantage.

[ZYCIE WARSZAWY] If you win, will you try to form a camp based on your failure, just as Tadeusz Mazowiecki did in 1990?

[Gronkiewicz-Waltz] It is best to form camps based on victories.

[ZYCIE WARSZAWY] Still, if you lose, how do you see your future as the president of the National Bank of Poland [NBP]?

[Gronkiewicz-Waltz] This is a problem of creating a myth of an apolitical president of the central bank. I am not an apolitical bank president, I am a president with Solidarity roots.

[ZYCIE WARSZAWY] However, can the NBP president both run the bank and be chairman of a political party?

[Gronkiewicz-Waltz] Today I believe that I will be president [of the country] and leader of a rightist bloc.

Coal Industry Losses Point to Price Rise

95EP0194A Krakow GAZETA KRAKOWSKA in Polish 9-10 Sep 95 No 209, p 9

[Article by Daniel Szafruga: "Why Is Coal Becoming More Expensive? When Black Gold Became a Curse: In Poland We Have Too Many Coal Mines and Too Much Coal"]

[FBIS Translated Text] Not so long ago coal mining was the apple of the eye of Polish politicians. Miners were both pampered and feared. Nowadays little has changed; taxpayers are subsidizing coal extraction more and more, politicians are afraid to do anything, prices are rising, and coal mining is becoming a threat to the entire economy.

Mining enterprises are in the worst financial situation they have been in for the past 40 years. In the first seven months of this year coal mining was the most unprofitable ever in history—its losses reached 896 million new zlotys (8.86 trillion old zlotys). The debts of the 62 mines are steadily growing; their current indebtedness is 38.5 trillion old zlotys, and their old debts are estimated at about 80 trillion zlotys.

Not all the black coal mines are losing money; 14 mines which decided on their own to restructure themselves and cut extraction costs are operating in the black, which does not mean they are debt-free. The financial performance of coal mining as a whole is harmed by the other weak and unprofitable mines.

The unrestructured mines are unprofitable, and the only way of reducing the losses, as practiced now, is to raise coal prices. As the miners see it, if the Polish coal mining industry as a whole is to be profitable, the prices of power coal and heating coal must be raised by at least 30 percent, and the prices of coking coal by 25 percent. However, it is only the representatives of the mining industry who believe in the magic power of price increases.

A Little Optimism

Last year black coal mining operated in the black, earning a gross profit of 394 billion old zlotys, and two mines even earned a net profit.

That was the first breeze of optimism since 1990, because as of 1991, when the Treasury allocated 6 trillion zlotys in subsidies, the mining industry has been losing money at a soaring rate.

The positive performance last year is no surprise if we consider it in the context of coal prices, which over the last three years have been rising more than twice as fast as the inflation rate.

Wages Under Special Care

Owing to the protests last May, all rules of the marketplace have ceased to apply to coal mining, inclusive of the decision of the coal companies that wage increases were to be dependent upon productivity. In effect, wages have been rising as rapidly as coal prices, and at present they account for about 50 percent of coal extraction costs. Last year the average wage of miners increased by 48.6 percent, and now it amounts to more than 11 million old zlotys.

Given such high wages, much higher than elsewhere in this country, productivity per employee in Polish coal mining is the lowest, amounting to about 400 metric tons, compared with the Western European countries, where it hovers at 950 tons, and the United States, 1,000 tons.

Too Much Black Gold

In Poland we have too many mines which extract too much coal. The high costs result in the fact that, with a few exceptions, mines are extracting coal at a higher cost than the price they sell it at.

The mines are steadily increasing extraction, even though demand is declining.

In the first half of this year coal extraction was about 2 million tons greater than in a similar period in 1994, but at the same time domestic sales declined by nearly 4 million tons owing to a mild winter.

To cope with this problem, the coal companies are exporting coal at lower prices than on the domestic market, because they cannot otherwise sell it abroad. Coking coal is being shipped to foreign customers at $30-40, whereas the Polish coking plants have to pay as much as $60 for it. The mines lose upwards of 3-3.5 new zlotys per exported ton [as published].

Foreign Exchange Traps

To protect themselves against inflation, last year coal companies concluded contracts for coal delivery in U.S. dollars with their biggest customers, the power plants and coking plants. At the time no one in the mining lobby had foreseen that the National Bank of Poland would float the exchange rate and that the dollar would decline. This caused additional losses to the coal companies. In effect, without renegotiating the contracts (a fixed price of $32 per ton until 1999 was guaranteed to the power industry), the prices should not exceed $32 per ton. But the companies announced that they were going to raise coal prices.

How Did It Begin?

After the Balcerowicz Plan was introduced, it seemed that taxpayers would stop subsidizing coal mining. The bureaucratic administrative superstructure of the coal mines was eliminated, and they became independent and were to compete with each other. But that stage proved too difficult, and soon afterward coal companies associating several mines each were formed.

Yet this approach, too, proved to be too burdensome. Thus the old concept of management from the era of real socialism was revived, and the black coal mining industry was to be placed under a single administration that would manage and oversee it and distribute the money (an idea termed "the coal paper clip"). For the time being, this project has not yet been carried out.

Cautiously and Slowly

The government, being the owner of the mines, is in no hurry to make changes. The successive governments have approached the restructuring of the coal industry as they would approach a porcupine. This is not surprising: Silesia has always been a region which either elevates politicians and entire government administrations or causes them to fall suddenly.

The restructuring of coal mines has in practice been halted. The politicians have consented to protracting the process of the liquidation of the most unprofitable mines and to slowing down the reduction of employment. The coal companies laid off 8,000 employees instead of the planned 15,000.

Secondary and higher level schools continue to graduate the same number of students majoring in underground mining operations as they did in the times when the mines hired anyone willing to ride down the shaft. The absence of resolute measures on the part of the politicians is bearing fruit in the form of ever-increasing losses, even in those mines which tried on their own to overcome the impasse.

What Is To Be Done?

The experience of France and Great Britain indicates that it is more practical to shut down unprofitable mines rapidly than to prolong their agony. Except that in Poland there is no courageous politician who would have the guts to do that.

Experts estimate that in Poland at most 40-50 mines having the lowest extraction costs have a chance of surviving on the market. Even now, employment should be reduced by at least 100,000.

The Domino Principle

When the coal companies announced the coming price increases last August, a panic broke out on the market. Within a single day, coal disappeared from fuel stocks. Some companies, such as Rudzka Coal Company, demanded a 50-percent price increase. The eventual increase in the price of this energy source, so basic in Poland, supposedly should not affect, at least in theory, the prices of electrical power, central heating, and hot water, because these are fixed officially by the Ministry of Finance. In reality, though, the domino principle reigns on the market.

Accepting the demands of the mining industry would result in a 5-to-10-percent increase in the price of coke and metallurgical products. This in its turn would trigger an increase in the costs of housing construction, electricity, central heating, and hot water. And these in their turn would trigger an increase in the prices of manufactured goods, foods, etc. In effect, the extraction cost of coal would again increase, and miners would once more demand higher coal prices and higher wages, so that single-digit inflation would remain a pipe dream.

The Dictatorship of the 300,000

Both power plants and coking plants are protesting against coal price increases; they claim that, were it not for customs duties and import duties, it would pay to import coal, even from the United States, despite its high transportation cost. In a gesture of despair, the Przyjazn Coking Plant, hoping that it would sober the miners up, has decided to import coal from Russia—despite the border fees, that coal is cheaper than the coal from the Silesian mines.

Polish steel plants, too, are fearful of losing their foreign markets once they are forced to raise their prices, which would make it more profitable to import steel from Slovakia, the Czech Republic, or Ukraine.

If the government continues to shy away from restructuring and privatizing the mining industry, the sole way out would be to impose a prohibition against coal imports, and also to impose high duties on steel and coke.

Suicide on the Installment Plan

The concentration of the mining of black coal, that basic power fuel, in the hands of the government alone means voluntarily placing one's head in the loop of a hangman's rope that is automatically being tightened. The government is becoming a hostage of the coal mine crews which, resorting to threats and strikes, extort from it whatever they desire. A continued policy of ostrich-like hiding one's head in the sand threatens a collapse of the economy, which will not be relieved by any additional tax burdens.

Vacaroiu Interviewed on PDSR-PRM Split

AU3110114295 Bucharest ROMANIA LIBERA in Romanian 23 Oct 95 p 3

['Exclusive' interview with Prime Minister Nicolae Vacaroiu, by Dan Preisz; place and date not given: "I Do Not Expect Any Consequences for the Government Following the PDSR-PRM Split"]

[FBIS Translated Text] [Preisz] Mr. Prime Minister, what will be the consequences, from your point of view, of the split of the PDSR [Social Democracy Party of Romania] from the PRM [Greater Romania Party]?

[Vacaroiu] On the political plane, I do not know the answer.... You know the statement made by the PDSR president on the cessation of the political cooperation between the two parties in the ruling arch.

I Do Not Think We Will Have Problems With the Balance in Parliament

[Preisz] Some political leaders claim that under such circumstances the current government has lost its credibility and therefore they expect it to fall. What are your comments on that?

[Vacaroiu] If your question refers to the governmental plane, I do not see any consequences, because our program for the near future returns to measures to implement the reform, which, in my opinion, will be backed by the PRM legislators as well.

[Preisz] In connection with the balance in Parliament, do you not think that you may face problems? C.V. Tudor [PRM president] talks about "the 20 golden votes of the PRM legislators," which you will be missing from now on....

[Vacaroiu] I do not think we will have problems. All right, the balance in Parliament...there does exist a balance...but considering the laws that have been sent to Parliament so far, which are laws regulating reform, I believe that they will be backed even by the opposition parties. And, as a matter of fact, you must have heard what the other political parties have stated on this issue.

We Expect Constructive Support From the Opposition

[Preisz] By the way, how do you assess the statements made by certain opposition parties, regarding the support they might grant to the minority PDSR cabinet? There have been such statements, for example by the PAC [Civic Alliance Party] and the UDMR [Democratic Union of Hungarians in Romania].

[Vacaroiu] I assess them as a positive fact, as an expression of what they promised back in 1992, if you can recall, to grant constructive support. That is just what we expect from the opposition parties—constructive support.

[Preisz] What does "constructive support" mean, in your opinion?

[Vacaroiu] It means that should the need arise, in their capacity as legislators, they should come up with amendments to the bills. They are welcome to do so, are they not? But I would like to point out again, that our draft laws, numbering approximately 150, that we have sent to Parliament, are all laws referring to reform, and in my opinion the opposition legislators have no reason whatsoever to reject them.

Currently We Do Not Expect the Opposition To Participate in the Government

[Preisz] Did you seriously consider also the variant of one or perhaps even several of the opposition parties participating in the government?

[Vacaroiu] No. All I can say is that currently we do not expect that, but let me stress that everyone is talking solely about the [various parties'] participation in the government. Well, first, there have been parties participating in the government, but this did not lead to any alterations in my government program. You might have noticed that we did not amend the government strategy, just because this or that party joined us. Second, when one is talking about ruling the country, one should first clarify what one means by it. Does one mean the ministers in the government? The majority of the ministers in our government belong to the PDSR, a few are politically independent, and four of them belong to the PUNR [Romanian National Unity Party]. However, if one means the entire structure of the executive, let me tell you that in that structure we also have people belonging to the opposition, and it is only natural that they should occupy such posts, directors, for instance, because they are good specialists, they obtain good results, and therefore it is only natural that they should be kept in office, regardless of which government is ruling or its political color.

Statements of the PSM President Are Absolutely Not Our Concern

[Preisz] Precisely at the same time as you, as Romania's prime minister, as well as President Iliescu, asserted our need to join NATO and the various European bodies, Mr. Ilie Verdet, the president of the PSM [Socialist Party of Labor] made a rather weird statement to the ITAR-TASS news agency. In that statement he criticized our rapprochement to Western bodies and

Romania's intent to join NATO. How do you assess that gesture of his?

[Vacaroiu] First I would like to point out that the PSM is not a member of the government....

[Preisz] But it is, or, at least, it has been so far, a member of the governing coalition. The PDSR leadership and even President Iliescu have officially reiterated, a number of times, that there is a political consensus in our country regarding our integration within NATO and the European bodies. Let us not forget that besides the fact that they support the government, the PDSR signed a cooperation protocol with the PSM....

[Vacaroiu] I believe that this was the free expression of a party president's thoughts, his party having a certain platform and a certain membership. It is a right of theirs.

[Preisz] Yes, but still, as one of that party's allies, such statements should also concern you.

[Vacaroiu] They are not our concern. Absolutely not.

Politicians View Split

AU3110115895 Bucharest EVENIMENTUL ZILEI in Romanian 20 Oct 95 p 3

[Report by Cristina Sofronie, Anca Alexandrescu, and Andra Manta on reactions by party leaders to the decision of the Social Democracy Party of Romania to break off relations with the Greater Romania Party: "Reactions of the Political Parties"]

[FBIS Translated Text]

Emil Constantinescu, President of the Democratic Convention of Romania [CDR]: "The Social Democratic Party of Romania [PDSR] Must Now Correct the Consequences of This Alliance"

"The PDSR initiative to break off the government alliance with the Greater Romania Party [PRM] is justified. However, it comes too late, long after the political and parliamentary cooperation with an extremist party, which is hostile to the reforms, has caused significant damage both domestically and with regard to the perception of Romania abroad. Therefore, the PDSR must now assume responsibility for the consequences of this alliance and must make concrete efforts to correct them and cleanse the political life in Romania. The CDR, which—as far back as the fall of 1992—has called on the PDSR to clearly distance itself from the extremist factions and parties, can only express the hope that this delimitation will be unequivocal this time. The CDR reiterates its political backing for all legislative proposals aimed at ensuring the progress of the reform process."

The Civic Alliance Party [PAC] May Back a Minority PDSR Government

PAC will support a minority PDSR government with certain conditions. This statement was made by PAC Executive President Nicolae Taran. Basically, the support will limit itself to rediscussing and amending certain laws.

The Democratic Union of Hungarians in Romania [UDMR] Conditions Its Possible Support

"We do not exclude the possibility of granting parliamentary support to the PDSR," UDMR President Bela Marko said at a news conference yesterday.

"UDMR has waited with interest for a clear-cut delimitation of the PDSR from the PRM and the nationalist-extremist forces allied to it," Bela Marko said adding that the UDMR makes its possible support conditional upon a "change in the PDSR program."

Valer Suian, Senator of the Romanian National Unity Party [PUNR] Says that the Break Between the PDSR and PRM Does Not Change the State of the Alliance in Any Way

"Such a political gesture cannot pass unnoticed and obviously has very important political implications for the political stability of the country and government and for the coherence of the legislative process," Senator Valer Suian, PUNR executive secretary told us yesterday.

He added the following: "Regarding this PDSR choice, the PUNR leadership will examine the newly created political situation and will strive to find the best political solution to contribute to securing the country's political stability, in whose name it has actually sacrificed its party principles on quite a few occasions.

"Since the quadripartite protocol only sanctions a political understanding on lending support to the current government and legislative process, without being a political bloc or alliance, its denunciation by a party vis-a-vis another signatory party of this document does not necessarily imply the cancellation of the agreement among the four parties.

"On the other hand, the bilateral PUNR-PDSR protocol will continue to remain valid and the future form of the quatripartite protocol will not affect the PDSR-PUNR government.

"The protocol can function three-way or it can be supplemented by other parties joining it."

Crin Halaicu, General Secretary of the National Liberal Party [PNL]: "We Are Ready To Talk It Over"

"The PDSR initiative to break off the government alliance with the PRM comes very late, at a time when the country's image abroad has already had to suffer quite a lot because of the cooperation of the main ruling party with an extremist political grouping. This initiative should be seen as an electoral gesture, but also as an expression of assuming political responsibility for that situation. One should not forget the domestic and foreign pressures applied on President Iliescu and the PDSR to finally take this decision. The PNL considers that the PDSR is at a crossroads now and that it must choose between the country's interests and those of the political clientele it has served until now. In the time left to the local and general elections next year, we must pass certain important laws, which we are ready to talk about, to the extent that they do not run counter to the interests of the man in the street. There is a lot left to be done to cleanse the political life in Romania, because there are many people with views and behavior similar to those of the PRM leader, both within the PDSR, but particularly in the parties allied to it."

Senator Radu Vasile, PNTCD Spokesman: "We Will Support a PDSR Minority Government"

"This time, the PDSR proved that it can be a responsible political force. It is obvious that such a step, regardless of the reasons that have led to it—which may or may not be directly linked to the attacks launched against President Ion Iliescu—will increase PDSR's much needed credibility abroad. Domestically, it may also mark the start of a process of delimitation from its other allies, too, or at least from some of their representatives. In these circumstances, we will support the formula of a minority PDSR government in Parliament, in its legislative initiatives to serve the economic reforms and the country's real democratization.

"We hope that this means that the respective measures will be discussed with the opposition forces prior to their submittal to Parliament."

Deputy Petre Roman, President of the Democratic Party [PD]: "It Is a Small Step"

"The current parting with the PRM is a small step in the right direction, which we have not ceased calling for since October 1992. However, this step is a long way from bringing about the change that the country needs so much. I am talking about the fact that the influence of the PRM and PUNR in the current government has been and still is very large. The confirmation of a real change can only be given by a change in the governing concept."

Deputy Tudor Mohora, President of the Socialist Party [PS]: "We Are Not Surprised by the PDSR Decision"

"The PS said two weeks ago that there are basic differences among the parties of the quadrilateral. Consequently, we are not surprised by the decision of the PDSR Executive Bureau. This decision strikes a strong blow to the quadrilateral, which has supported the government so far, a quadrilateral which bears the entire responsibility for the effects of the governing to date, even though each of the allied parties has taken care to wash their hands of the Vacaroiu cabinet."

PNTCD Head To Back PDSR Minority Cabinet

AU3110113395

[FBIS Editorial Report] Bucharest CURIERUL NATIONAL in Romanian on 23 October carries on page 3 a 150-word article by A. Dumitrascu on the possible consequences of the decision of the Social Democracy Party of Romania to break off with its coalition partner, the Greater Romania Party [PRM] entitled: "The National Peasant Christian Democratic Party [PNTCD] Will Unconditionally Support a Minority PDSR Government." The author notes that "PNTCD leader Corneliu Coposu said in an interview with Radio Free Europe that his party is ready to back a minority PDSR government without conditions and compensations." The article adds that "the PNTCD president believes it is in the interest of the Romanian people that all parties should support all actions aimed at attenuating the economic hardships faced by the country and should postpone confrontations, polemics, and disputes until the next elections." The article notes that "this viewpoint was shared by Nicolae Manolescu, president of the Civic Alliance Party [PAC], who also participated in the same Radio Free Europe program."

Bucharest TINERETUL LIBER in Romanian on 25 October on page 8 carries a 700-word "special dispatch" from New York on President Ion Iliescu's activities at the UN jubilee session. Among other things, the author notes that "President Ion Iliescu granted an interview to Radio Free Europe, in which he said that he will not become involved in the PDSR-PRM break." The dispatch adds that the president "welcomed the declared intention of Emil Constantinescu [president of the Democratic Convention of Romania-CDR] and Corneliu Coposu to back the government, but said that he did not believe in a crisis of the current government."

PNTCD's Coposu Hospitalized; Health 'Stable'

AU3110085595 Bucharest Radio Romania Network in Romanian 0500 GMT 31 Oct 95

[FBIS Translated Text] Mr. Corneliu Coposu, the president of the National Peasant Christian-Democratic Party [PNTCD], was hospitalized yesterday at 1445 hours in the Bucharest University Hospital. There, he was examined by a commission of medical experts, whose diagnosis was severe cardiovascular and respiratory malfunctioning as a consequence of the patient's former lung ailment.

A communique released by the Bucharest University Hospital says that the experts are constantly taking the necessary therapeutical measures and the hospital is well equipped with everything that is needed to look after the patient.

In a statement made a short while ago to our correspondent, Dr. Sorin Oprescu, the director of the hospital, said that during the night, Mr. Coposu's general health condition remained stable from the point of view of the vital functions, such as breathing and blood circulation.

This morning at 0830, the expert commission monitoring Mr. Coposu's health condition will hold a news briefing at the small amphitheater of the hospital.

Condition Reported 'Critical'

AU3110125695 Bucharest Radio Romania Network in Romanian 1100 GMT 31 Oct 95

[FBIS Translated Text] As we already reported, PNTCD [National Peasant Christian-Democratic Party] President Corneliu Coposu is still under intensive therapy at the specialty clinic of the Bucharest University Hospital. A multidisciplinary medical commission is periodically evaluating the general health condition of the patient, making decisions on what is to be done to maintain the vital functions of the body and preserve the patient's life, stated Dr. Sorin Oprescu, the hospital director.

After having established the diagnosis, which was severe lung insufficiency, requiring artificial breathing support, as a consequence of the evolution of an older lung ailment, the more than 25 experts are monitoring the therapeutical measures that are being taken. The general health condition of the patient is still critical.

The press release signed by the multidisciplinary medical commission says that no forecasts can be made yet, after which it mentions the fact that, complying with the explicit wish of Mr. Coposu and his family, no further medical details can be made public.

Our correspondent Tudor Stanciu also reports that Dr. Mihai Baican, the director of the Wilkenberg clinic in Germany, where Mr. Coposu formerly received therapy, is expected to arrive today in Bucharest bringing the patient's medical file.

[Bucharest ROMPRES in English at 1223 GMT on 31 October carries the following additional information: "Health ministry spokesman Mircea Beuran told ROMPRES that the health condition of Corneliu Coposu was of great concern to President Ion Iliescu, Premier Nicolae Vacaroiu, as well as the speakers of the two houses of Parliament, Oliviu Gherman and Adrian Nastase."]

New 4th Army Commander Promises 'Changes'

AU3110120295 Bucharest ADEVARUL in Romanian 25 Oct 95 p 10

[Report by MEDIAFAX: "General Dorin Gheorghiu Promises Changes in the 4th Army"]

[FBIS Translated Text] In an interview with the daily MESAGERUL TRANSILVAN, General Dorin Gheorghiu, the new commander of the 4th, Transylvania Army, promised changes in the 4th Army. "Many novelties will be felt here, too, regarding the way in which work is carried out, the relations between various departments, the way in which practical activity is to be carried out, our relations with the civilian society, and our relations within the Partnership for Peace program. On the whole, we will preserve and carry on everything that has been good so far," stated General Gheorghiu.

The commander of the 4th Army does not consider that the Transylvanian army has any special role as compared to the other armies.

Iron Guard Leader: No Law Prohibits Movement

AU3110135595 Bucharest ADEVARUL in Romanian 23 Oct 95 p 8

[Report by C. Ch.: "The Iron Guard Movement Takes the Offensive in Constanta"]

[FBIS Translated Text] With the declared goal to "rechristianize" the atheists, on Friday [20 October] the 13 January Iron Guard branch in Constanta organized a meeting to debate the history of that movement and the reasons for the need to reiterate its current ideology, "which has nothing in common with racism, anti-Semitism, or Fascism." Professor Serban Suru, the head of the Bucharest Iron Guard branch named after Horia Sima insisted on telling the members and sympathizers of the Constanta branch (the majority of whom are retirees) that "considering our current activity, we are not a political party. The Iron Guard movement is not restricted by any law, the Constitution, or the laws on the functioning of parties and national security. The best proof for this is the fact that the Horia Sima branch, whose leader I am, does exist in Bucharest, and we also have the Iron Guard library there, and both are running fully without anyone having tried to place me under arrest. Even Virgil Magureanu, the SRI [Romanian Intelligence Service] director, said almost the same thing, namely, that no legal steps can be taken against any of us. The mere fact that he considers the Iron Guard movement a potential danger is nothing but his private opinion. I could also consider him a potential danger."

Strike Called Off by Protesting Students

AU3010145895 Bucharest Radio Romania Network in Romanian 1400 GMT 30 Oct 95

[FBIS Translated Text] Today, the striking students—after having resumed their protest march along the University Square-Romana Square-Ministry of Education-Senate route—returned to University Square around 1600 hours [1400 GMT]. On this occasion, the representatives of the National Alliance of Student Organizations in Romania announced that the strike of students from all over the country has been called off and that the students will return to their classes, as of tomorrow. It was also announced that the representatives of the students from all over the country will meet at the Law University on 6 November to clarify the stage of the solution of their claims as well as other possible forms of protest. Likewise, a meeting of Bucharest students was scheduled at the headquarters of the League of Students of Bucharest University, on Thursday 2 November, around 1800 hours—our correspondents Cristina Iliescu and Dragos Mugurenciu report.

Current Events 'Synthesis' Available on Internet

AU2810145595 Bucharest Radio Romania Network in Romanian 2018 GMT 27 Oct 95

[FBIS Translated Text] The RADOR press agency of the Romanian Radio and Television Company [RTV] announces that beginning today they are feeding a synthesis of the Romanian current events to the Internet world-wide computer communication network. These items are based on information coming from the own sources of the Romania Current Events radio channel.

The items, which are elaborated and distributed by the RADOR press agency of the [RTV] Information and Synthesis Center, may be called from the World-Wide Web server of Internet, by selecting Romania's national page.

Beginning next week, with the assistance of the Romanian Electronic Data Processing Center, RADOR will also distribute a synthesis of Romanian current events in the English language.

The RADO agency, RADIO OBSERVATOR [as heard], may be contacted via E-mail, the electronic mail, on the Internet server of the RTV, by calling, under RADOR, radio.ero.r.ero [as heard].

Federal

Milosevic Expresses 'Optimism' Over Ohio Talks

AU3110104895 Belgrade Radio Beograd Network in Serbo-Croatian 1000 GMT 31 Oct 95

[Report by Tamara Motrenko—recorded]

[FBIS Translated Text] [Motrenko] Shortly after 1000 [0900 GMT] this morning, the joint delegation of the Federal Republic of Yugoslavia and the Serb Republic headed by President Slobodan Milosevic departed from Surcin airport for the United States for the new round of peace negotiations on the final and permanent solution to the crisis in the former Bosnia-Herzegovina and, therefore, on the territory of the earlier Yugoslavia.

Republican President Slobodan Milosevic addressed correspondents at Surcin airport.

[Milosevic] Good day. We are setting off on a trip. The goal of our trip is peace. I firmly believe that there are all the conditions for all significant elements of the future peace agreement on Bosnia-Herzegovina to be precisely defined at the forthcoming negotiations. We all expect—and I am sure that all peoples and citizens in these regions do so as well—peace to finally start reigning there, and a lasting and just peace at that. It will be both lasting and just to the extent that the peace agreement will equally protect all three peoples and all citizens living in Bosnia-Herzegovina. In order for that to happen, it is necessary that a spirit of impartiality and objectivity toward the sides in the conflict reigns at the conference. I believe that, above all, the host country and the other factors of the international community will endeavor to have this spirit of impartiality and objectivity imposed at the conference. In this respect, I express optimism regarding its success. Thank you.

[Motrenko] The joint delegation was seen off at the airport by Federal Prime Minister Radoje Kontic; Momcilo Perisic, head of the General Staff of the Yugoslavia Army; Serbian Prime Minister Mirko Marjanovic; Serbian Assembly Chairman Dragan Tomic; Ministers Vukasin Jokanovic and Zoran Sokolovic; Belgrade Mayor Nebojsa Covic, and members of the Contact Group member countries, that is, charges d'affaires of the Embassies of Great Britain, Germany, the United States, and France, as well as Genadiy Shikin, ambassador of the Russian Federation to Yugoslavia.

French Envoy: Milosevic 'Committed' to Peace

LD2910122495 Belgrade TANJUG in English 1131 GMT 29 Oct 95

[FBIS Transcribed Text] Novi Sad, Oct. 29 (TANJUG)—French Charge d'Affaires in Belgrade Gabriel Keller has stated that Serbia's President Slobodan Milosevic is seriously committed to the policy of peace.

French President Jacques Chirac and Foreign Minister Herve de Charette have repeatedly stressed Milosevic's role in overcoming the crisis in the former Yugoslavia and enhancing the peace process, said Keller in an interview with DNEVNIK of Novi Sad published on Sunday.

France will suspend sanctions against Yugoslavia the moment the peace agreement is signed, he emphasized. We will renew old friendships in a novel way, said Keller and added that the importance France attached to restoring ties with Yugoslavia had been confirmed by the recent visits to Belgrade by de Charette and a French business delegation. He also said he hoped the coming Bosnia peace talks in Dayton, Ohio, and Paris would bring about the end of the crisis in the former Yugoslavia.

Under the agreement reached in Geneva, the Republika Srpska (Bosnian Serb state) is a separate entity, although its territory has not been precisely defined, said Keller.

Noting that it would be unfair to bring people to a conference table without keeping earlier promises, he said that a genuine lasting peace should sastisfy all sides.

Minister on 'Successful' Visit to China, DPRK

LD2710174495 Belgrade TANJUG in English 1401 GMT 27 Oct 95

[FBIS Transcribed Text] Belgrade, Oct 27 (TANJUG)—Yugoslav Minister for Development, Science and Environment Janko Radulovic told TANJUG on Friday that the visits to China and North Korea had been successful.

"The visits were important for the Federal Republic of Yugoslavia and for those countries, in view of the traditional friendship between our countries. It was assessed at all the talks that there were numerous fields of joint interest for our cooperation, above all in agriculture and biotechnology", Radulovic said.

He pointed out that hosts to the Yugoslav governmental delegation were Chinese and North Korean state committees for science and technology.

"We have signed with both countries interstate agreements on scientific, technical and technological cooperation", Radulovic said, specifying that these were the first documents signed in the field by our country since the introduction of U.N. sanctions.

He said that the signed agreements are "a direct and concrete contribution to the legal continuity of the FRY as the state continuator of the previous state".

Belgrade Seeks To Resume UNESCO Ties

LD2710033895 Belgrade TANJUG in English 0320 GMT 27 Oct 95

[FBIS Transcribed Text] Belgrade, Oct. 26 (TANJUG)—Yugoslavia said on Thursday it wished to resume ties with UNESCO, especially participation in the organisation's educational projects.

In a meeting with Vinayagum Chinapah of UNESCO, minister of education of the Yugoslav Republic of Serbia dragoslav Mladenovic said that Yugoslavia saw no obstacle in the way to renewing cooperation with the organisation in the near future.

Mladenovic, who heads the Yugoslav commission for cooperation with UNESCO, briefed Chinapah about Yugoslavia's difficulties in providing adequate care for the large number of refugee children from war-affected areas of the former Yugoslavia.

Struggling under the burden of international sanctions, Yugoslavia has not been able to provide even the minimum working and living conditions for these children, said Mladenovic.

Chinapah, who is in charge of monitoring UNESCO's project 'Education for All', said he hoped that Yugoslavia would soon resume ties with UNESCO, and pledged his personal support.

Chinapah came to Belgrade to attend an international seminar on the development of elementary school curriculums.

New UNHCR Head To Visit Refugee Centers

LD2710200095 Belgrade TANJUG in English 1600 GMT 27 Oct 95

[FBIS Transcribed Text] Belgrade, Oct 27 (TANJUG)—The new head of the U.N. High Commissioner for Refugees (UNHCR) mission in the Federal republic of Yugoslavia Margaret O'Keefe said Friday her first task would be to visit refugee centers and enquire about the problems encountered by these people whose sufferings she had only seen on television.

O'Keefe (Ireland) has worked for UNHCR for a long time, and has taken part in its missions in Geneva, Nicosia, Ethiopia and Sudan. She took up her new post on Friday.

O'Keefe said in an interview to TANJUG that she wished to tour all parts of Yugoslavia, from Serbia's northern province of Vojvodina to its southern province of Kosovo and Metohija (Kosmet), and learn about the problems affecting both refugees and the families accommodating them with generosity, and expressed particular concern for children, as they suffer the most.

The Federal Republic of Yugoslavia has provided shelter to about 700,000 refugees from the war-torn areas of the former Yugoslavia. In august this year, 180,000 Serbs from the Republic of Serb Krajina arrived in Yugoslavia seeking refuge from Croatia's aggression.

Without precedent in the world, between 80 and 90 percent of the refugees have found shelter with local families, whose standard of living is already eroded by U.N. anti-Yugoslav sanctions in force since May 30, 1992.

National Bank Governor on New Economic Package

LD2710233995 Belgrade TANJUG in English 2222 GMT 27 Oct 95

[FBIS Transcribed Text] Belgrade, Oct. 27 (TANJUG)—Yugoslav National Bank Governor Dragoslav Avramovic Friday announced a package of 15 new economic measures aimed at restoring the convertibility of the dinar and stabilizing the Yugoslav economy.

There is a need to solve credit problems by covering the banks' enormous deficits and then issuing and selling government bonds to raise the necessary funds, Avramovic said.

'As long as I am the governor, the state will not be financed by the National Bank. Instead it should go to the stock market,' said Avramovic.

He said that healthy economies had a single currency exchange rate and that it was essential to establish a realistic exchange rate of the dinar to prevent inflation impacts and thus stabilize the prices and cut down interest rates.

A precondition for this is free trade with other countries, while customs dues, which currently stand at up to 100 percent, should be reduced to between 10 and 20 percent on the average.

The measures proposed by the governor also concern the transparency of the budget policy and the control of prices in the public sector, which need corrections, while all other prices should be free.

The governor said that important system changes should be initiated, including control of payment operations by the National Bank and privatization, which entailed a Yugoslav Parliament decision.

Avramovic voiced a personal stand that even in matters that constitute processes, such as the process of privatization, measures should be adopted in a package.

Halfway solutions, such as a devaluation of the national currency, would give no results, said Avramovic.

'The current situation resembles mostly the situation prior to the adoption of the economic program on Jan. 24 last year,' he said and added that fear of risks, individual interests and ignorance on different levels of decision-making were the biggest obstacles to such measures.

'I am not going to devaluate the dinar because it actually happened a year ago,' he said. He said that the situation on the market should now be formally accepted and the circle of privileged users of the official exchange rate expanded to those who were able to pay the real price.

As long as there is a single price, administration is unnecessary, he said.

This would lead to better foreign currency supply and necessary imports of raw materials and intermediates that would as a result increase production and exports and secure a better supply on the market.

Asked whether his concept would get the upper hand, the governor replied that the fate of the measures was beyond him but that he believed that they would eventually become a reality because they were based on reality and the logic of market.

State's Role in Oil Smuggling Viewed

AU3110133195 Belgrade NASA BORBA in Serbo-Croatian 26 Oct 95 p 6

[Article by J. Putnikovic: "The Daily Racket—A Ton of Fuel"]

[FBIS Translated Text] It will probably never be established which businessmen have made the biggest profit under the sanctions, since the state (both Yugoslavia and its two federal units) have to a large extent participated in the partition of the cream on the top of the cake made from smuggling. Some figures show, however, how these transactions function. In case of smuggling oil derivatives, for example, regardless of how illegal it is to give passage to tank trucks, one thing must be clear—there is no trading with fuel without the knowledge of customs authorities and police. It is neither possible that oil is smuggled from neighboring countries without the knowledge of local authorities, nor of individuals from the state leadership. Approximately a month ago, when Rumanian authorities, in cooperation with the UN Protection Force, stopped minor oil smugglers at the Danube near Golubac, the tax on the free smuggling on land suddenly increased. The dealers with oil derivatives who buy fuel in Rumania had to pay up to 300,000 German marks [DM] to Rumanian embargo controllers—to make them close their eyes. This tax enabled the buyer to have free passage for a month—regardless of whether one liter or several hundred thousand liters were transported into the Federal Republic of Yugoslavia.

Because of the embargo, the purchasing price of oil abroad is two or three times higher. A man we talked to claims that the price of gasoline up to the moment it reaches the border is $200 to $210 per ton. After various rackets collected by "importers" are added to this price, a ton of gasoline costs—by the time it reaches the Yugoslav customs authorities—between $400 and $600, often even $700. A ton of diesel costs between $400 and $600. When fuel is imported by a company or a private person that does not have the document proving that its purchase is necessary to achieve the energy supply balance, the customs duty of 57 percent is added to the purchasing price. If such a document is provided, the importer, which is usually the Oil Industry of Serbia, pays the customs duty of only 16 percent.

After having paid the customs duty, the importer has to pay the consumption tax of 0.40 dinar per liter of gasoline and 0.30 dinar for every liter of diesel. The oil importers claim that the transportation costs after the border are 0.10 dinar per liter on the average. The state has allowed the maximum trade margin (which includes the costs of turnover, storing, and profit) of 42 percent for diesel and 32.5 percent for gasoline for all those who sell the fuel on their petrol stations. The one who has decided to have a competitive price can have a smaller margin too.

The sales tax of 26 percent (24 percent plus 2 percent for the railway, that is speed lines) is added to this sum.

To avoid these official taxes, the oil importers, according to unofficial data, give one-third of their cargo for special purposes: Ambulance, hospitals, agricultural companies, transporters ("Lasta" Company, for example), the Ministry of Internal Affairs, the Army..., in agreement, of course, with certain state authorities. The first man from Yugoslav customs has confirmed this, stating that the needs of priority users are covered in this way, since there is no fuel for them from domestic sources.

The same source also claims that approximately 3,000 tons of fuel on the average cross the border every day (not at official border crossings, but at illegal). This means that around 1,000 tons are given in the racket to the state. The Montenegrin states performs this job even more perfidiously—it collects the consumption tax in hard currency.

There is no exact information on how much oil has entered Yugoslavia annually since the sanctions were introduced. Estimates range from 3000,000 tons to 1 million tons of both gasoline and diesel. Since

Serbia and Montenegro consumed 600,000 tons of fuel before the oil embargo, and since the economy has not functioned since the introduction of the sanctions and therefore consumes less, it must be assumed that not more than 600,000 tons are needed, including the considerable quantities needed by the Army.

If, for example, 600,000 tons really enter the country (which is approximately half of the oil quantity assumed to be imported) at the price of $400 per ton on the average, the total price amounts to $240 million. If the customs duty of 57 percent had been paid to the state, $136.8 million would have flown into the state budget per year. Or its counter value in dinars. Even if the official exchange rate is taken, according to which the dinar still equals the value of the German mark, the dollar corresponds to 1.4 dinars, which means that the customs duty to the amount of 191.52 million dinars should have been paid last year. Furthermore, 400 dinars and 300 dinars should have been paid as the consumption tax on every 1,000 liters of gasoline.

If the price of a ton of gasoline is 560 dinars, the customs duty for the same quantity should be 309.2 dinars, and if we assume that the consumption tax to the amount of 400 dinars should be paid, the purchasing price on which the trade margin is added would be 1279.2 dinars: 32.5 percent trade margin on this quantity would be 447,62 dinars. The 26-percent sales tax must be added in the end, which corresponds to 432.016 dinars. Via the customs duty, the consumption tax, and the tax paid for the state budget, the state should earn the total sum of 1,151.2 dinars on every ton of gasoline. If only 100,000 tons of gasoline enter the state, it would be richer by 115.12 million dinars.

The experts on these money transactions therefore stress that private companies that pay the racket in the form of fuel to the state are privileged and they should be entitled to at least half of the fuel imported into the country. This would, however, put the interests of those who participate in dividing the "illegal" gasoline and diesel at stake. That is why no considerable changes can be expected.

Serbia

Party Official Says Ohio Talks To Bring Peace

LD2910191195 Belgrade TANJUG in English 1857 GMT 29 Oct 95

[FBIS Transcribed Text] Kragujevac, Oct. 29 (TANJUG)—A Serbian ruling party official Sunday stated the conviction that the talks in Ohio on Bosnia crisis would be successful.

Gorica Gajovic, deputy club head of the Socialist Party of Serbia in Serbia's parliament, told Kragujevac Radio (a city in central Serbia) that in the talks, due to begin Wednesday, there would surely be obstacles along the way and attempts at obstruction, but that the peace process has taken a strong upsurge so that there was no possibility for them to be stopped.

Gajovic said the tripartite meeting in Ohio crowns the peace efforts of the Socialist Party of Serbia and Serbia's President Slobodan Milosevic.

'We think peace would also be a victory for the Socialist Party of Serbia, and when it (peace) comes normal conditions would be created for the development of Serbia and the Balkans as a whole,' Gajovic said.

Commentary Accuses Croatia of Troop Buildup

AU3010205695 Novi Sad DNEVNIK in Serbo-Croatian 22 Oct 95 p 4

[Commentary by Milan Bozokin: "Croatian Finger on the Trigger"]

[FBIS Translated Text] The fuse that threatens the opening of a new front in the Srem [Srijem]-Baranja region has still not been removed. On the contrary, the situation around this area is becoming increasingly critical, threatening a new war at any moment. Although Croatian President Tudjman said a few days ago that Zagreb was not going to attack the Srem-Baranja region, the situation on the ground suggests otherwise. Namely, Croatia has been concentrating troops in the vicinity of the separation lines; around 10 brigades have arrived in this area recently, so now there are over 40,000 Croatian soldiers ready to attack at any moment.

(In)sufficient Military Supremacy

The fact that Zagreb has apparently abandoned the negotiations with the representatives of the Serbs from the Srem-Baranja region indicates that Croatia has decided to try to occupy militarily the remaining part of the Republic of Serbian Krajina (or, as they say, the remaining 4.6 percent of "their" territory). Indeed, after the agreements reached at the beginning of the month at the meeting of the two delegations in Erdut, the Croats no longer wish to talk to the Serbs and that is why three attempts to hold another meeting have already failed. The Serb delegation went to Zagreb, which was a courageous move, because things worse than anything they had experienced before could have happened to them there, but the Croats no longer wish to talk to them in foreign embassies or in "blue helmets" bases but, as they say, only on "sovereign Croatian territory." They have not given up these demands, although the cochairman for former Yugoslavia has been persuading them the contrary.

After Operations "Flash" and "Storm," the Croatian belief that they can easily take eastern Slavonia, Baranja, and western Srem in the same way has grown. That is why they have started preparations for an attack on this Serb region. Zagreb has concentrated 40,000 troops with 200 tanks and 400 artillery pieces and systems. The 1st, 2d, 4th, and 7th professional brigades have been stationed in the possible theater of operations. The Serb side has carried out an additional mobilization and it is ready to confront the Croats with around 25,000 soldiers, 150 tanks and 300 artillery pieces and systems. The military balance is thus 2:1 in favor of the Croats, but that is still less than the necessary 3:1 proportion in favor of the attacker, which is considered necessary for a successful offensive.

Croatian politicians are more restrained than the generals in their statements on the forthcoming occupation of the eastern part of the Republic of Serbian Krajina because their decisions depend on the approval of the world powers, principally Germany and the United States. It is clear that Tudjman is in a hurry to solve the problem of Vukovar and Baranja because the elections are coming, and if he enters the finals without the planned Srem-Baranja region his triumph is not quite certain. The unfortunate circumstance for Tudjman is that at this moment the Clinton Administration, it seems, has better things to do, namely to end the peace talks on Bosnia successfully. Therefore, the United States has sent a warning to the Croatian president not to try to attack the Srem-Baranja region militarily because that could be an obstacle to the peace talks, and Croatia could be punished for that. Although Tudjman promised that he would not attack, one must remain cautious, because it would not be the first time that the top echelons in Zagreb have promised that there would be no armed attacks, and then, soon afterward, offensives were started.

Defense From Movement

According to what is known in military circles, in the event that Srem-Baranja region is attacked, the attacks will be mobile operations. The Croats also used that model in the previous two operations as they have been taught by the retired U.S. generals who have been with the Croatian Army as advisors for a long time. Along one route, the Croatian Army forces form mechanized columns 8 to 12 km from the front of the enemy's defense, in unit columns 5 to 8 km long, and in squad columns 2 to 3 km away.

It is thought probable that the Croatian Army's armor-mechanized forces will move in the directions Belisce-Jagodnjak and Osijek-Darca to seize the route to Beli Manastir and arrive at the Batina bridge. The other main direction of the attack would go from Osijek to Tenja and further on to Borovo and Vukovar so as to take Osijek airport, which is now under UNPROFOR [UN Protection Force] [as published] control, as quickly as possible. A complementary attack will go from Vinkovci to south and north of Mirkovci. Of course, that is the plan, but everything depends on the situation on the ground and the readiness of the Serb defenses.

In a situation like this, the Serb defenses must not be passive. The 11th Srem-Baranja Corps must not wait for the enemy in trenches, but instead should oppose them in a mobile way as well and carry out military action across the entire front, deep into the enemy's lines and on his flanks, which is very important. It is believed to be one effective way to stop the enemy and it is used in modern warfare. The Srem-Baranja Corps has up to now offered resistance mostly from trenches, which is also a feature of the other parts of the Serb army of Krajina. That model was used by the former Yugoslav People's Army, but it has proved obsolete. That is the way the Croats fought as well until the Americans taught them other variants.

At this moment it is hard to imagine how the situation will develop in a possible war conflict. Croats, apart from having the advantage in troops and equipment, also have a large strategic depth of territory. That is very important for maneuvering troops in depth and in different directions. In addition, by occupying the western, northern, and southern parts of the Republic of Serbian Krajina, Croatia now has an open route to bring additional troops from any part to the Srem-Baranja region. That means that the 11th Srem-Baranja Corps could find itself up against the entire Croatian Army.

[Box, p 4]

Threats of the Croatian Generals

In the course of last month and this month, the Croatian generals and the press have been warming to the idea that their state will soon extend to the Danube. General Vinko Vrbanac, head of the operations directorate in the General Staff of the Croatian Army, who headed the team that conducted Operation "Storm," also confirms this. But this Croatian officer has already experienced defeat in this area because in autumn 1991 he was the deputy commander of the Vukovar-Vinkovci-Zupanja Operative Group, i.e. the right hand of Milo Dudakovic Jastreb. He says that the fight for the return of Vukovar and Baranja will be the greatest tank battle since World War II. Other Croatian generals, such as Djuro Decak, the commander of the Osijek garrison, are predicting that Croatia will have access to the Danube by the end of the year.

Possible Increased NATO Presence Assailed

AU3110075995 Belgrade POLITIKA in Serbo-Croatian 24 Oct 95 p 2

[Commentary by N. Stojcevic: "The Balkan 'Thorn in the Side'"]

[FBIS Translated Text] The request of Croatian President Franjo Tudjman to General John Shalikashvili, U.S. joint chief of staff, for NATO forces to replace the UN mission in Sector East ([former name for] eastern Slavonia, Baranja, and western Srem [Srijem]) represents a definite assault on the peacekeeping mission of the international organization on the territory of former Yugoslavia. Installing NATO forces in former Bosnia-Herzegovina and the Former Yugoslav Republic of Macedonia, and intending to station them in Sector East as well, can mean nothing more than a definition of the strategic objectives of this alliance and of the United States in the formula of unipolarity.

At the same time, it is of interest to Croatia to connect itself through NATO in Sector East with the United States' geostrategic goals in order to win its confidence. Their cooperation in that sense has been clearly confirmed by the fact that NATO created the conditions for the military growth of Croatia and for the exodus of 250,000 Serbs from the Republic of Serbian Krajina [former Serb-held territories in Croatia].

This is how Tomislav Kresovic, political analyst from the Center for Strategic Research of the BINA agency, comments on Tudjman's request and the role of the "world policeman" in its implementation.

"NATO is creating political room for former Bosnia-Herzegovina to become a multimilitary [as published] occupied zone, like Germany and Berlin in 1945. That means that U.S. marines and French Army mercenaries would be stationed in this region for many years to keep or enforce peace. In that concept there is no room for the sovereignty of Bosnia-Herzegovina and its entities," Kresovic says, and adds:

"The basic problem of the conflict on the territory of former Yugoslavia is to stop civil war, in which, as a rule, there is no winner. If anybody comes out as a winner of this tragic conflict, or if NATO is put in the position of the arbitrator as it is now in the northwestern part of former Bosnia-Herzegovina, its 'mission' will inevitably lead to wider military conflicts. That is why Tudjman's initiative for the U.S. Army and NATO to be stationed in Sector East clearly implies the need to question the geostrategic positions of the Federal Republic of Yugoslavia and Serbia, and of the Serb Republic [Serb entity in Bosnia-Herzegovina]."

"The withdrawal of the peacekeeping mission from this region indicates that the United Nations has definitely been defeated and that world peace should be kept or maintained by a military alliance whose interests are clearly defined and represent nothing other than the hegemonistic aspirations of the leaders of that alliance.

In that context, Kresovic explains, it will not be possible to solve the question of eastern Slavonia, Baranja, and western Srem, if eventually it is defined within the NATO package without the military presence of Russia. This would mean that the United States and Russia would be factors of stability or instability, not only in Bosnia but also on the territory of Sector East.

However, the violations of the ceasefire by the Croat-Muslim union in the northwestern part of the Serb Republic and the toleration of their significant military conquests are direct NATO support for the political objectives of Zagreb and Sarajevo, so the alleged threats to bomb that side are a purely tactical move.

All that confirms that the territories of former Yugoslavia have become very interesting for the "policemen" of the new world order, but it must not be forgotten that the Balkans have always been "a thorn in the side" of every hegemonistic and expansionist concept.

Kosovo

Rugova Hopes for Full UN Membership

AU2810185595 Pristina KOSOVA DAILY REPORT in English 27 Oct 95

[FBIS Transcribed Text] Speaking at a press conference today President of the Republic of Kosova Dr. Ibrahim Rugova said he appreciated the attention paid to the Kosova issue in the proceedings of the UN General Assembly. He evaluated the ever increasing activity of the Republic of Albania in the United Nations. "We hope to see Kosova soon as a full member of the United Nations, given that it was an associated member as one of the constitutive units of the former Yugoslav Federation," Dr. Rugova said. President Rugova hailed the stand of the German foreign minister on the solution of the Kosova question. He also praised the participation of Monsignor Nik Prela, bishop of the Kosova Diocese, in the meeting the bishops from former Yugoslavia had with His Excellency Pope John Paul II.

President Rugova condemned the increased Serbian regime's repression against the Albanians in Kosova, pointing out that over the past week several journalists working with domestic and foreign media had been targeted. He made mention of numerous cases of harassment and mistreatment by the Serbian police authorities. Dr. Rugova denounced the increasing provocations on the part of the local Serb citizens against Albanians and denied the accusation of Albanians, and condemned the repression which ensued after an unclarified incident at a village near the town of Podujeva, in which, according to Serb claims, two Serb policemen had been wounded.

President Rugova renewed his call for international protection in Kosova and stressed out that an independent and neutral Kosova, open to Albania and Serbia, is an optimum solution to the issue. An interim international civil administration would facilitate the solution and prevent a conflict breakout, Dr. Rugova said. In reply to a question by reporters regarding speculations over a possible comeback of former communists on the Kosova political stage, President Rugova said that it is clear to the international community that no decision over the Kosova issue can be adopted without the Kosova leadership. International community appreciates the peaceful and democratic commitment of the Kosova people and its current leadership, he said.

Serb 'Harassment' Against Ethnic Albanians

AU2910143995

[FBIS Editorial Report] Pristina KOSOVA DAILY REPORT in English Nos. 730, 732, 733, 734, and 735 on 20, 24, 25, 26, and 27 October carry several reports on Serbian police "harassment" against ethnic Albanians in Kosovo.

Under the headline "Finances Bureau Chairman in Vitia [Vitina] Tortured by Serbian Police for 20 Hours," Report No. 730 on 20 October notes that the Serbian police on 18 October "arrested" Zaim Zejnullahu, chairman of the Municipal Finances Bureau in Vitina.

The Democratic League of Kosovo (LDK) Information Commission in Vitina reports that "Zejnullahu was released after having been brutally tortured for over 20 hours." Zejnullahu disclosed to the commission how "he was halted on the street" and "forced into a police car," to continue with police "contriving a detailed plan how he was to be killed." The Albanian official was "sent" to the police station in Kamenica and "brutally tortured for hours there," charged with "having allegedly been involved in establishing a defense headquarters" in Vitina. It is reported that Zejnullahu "was released the next day" with "heavy injuries incurred all over his body." He "had to seek medical treatment" and is currently "under intensive care."

Pristina-based BUJKU reports on 19 October that the Serb-run Magistrate Court in Gnjilane "has instituted proceedings against Zaim Zejnullahu and two other Albanians, former Municipal Assembly officers" in Gnjilane, under charges "they had allegedly shown defiance to the Serbian-installed authorities" in Gnjilane and for "their involvement in administering Albanian-language education in the municipality."

Another report on 20 October notes that the Serbian police on 13 October "raided" the home of an Albanian in Gnjilane "in connection with arms searches." As he was "not found" at home, the police took his mother "as a hostage" to "pressure her son into reporting himself at the police station." Sources in Gnjilane say that the Albanian's mother "was held at the police station until the evening of the same day" and was subject to "psychological harassment," while the next day, her son "was reportedly brutally beaten up for a couple of hours."

Report No. 730 also notes that "over the past weeks, the so-called Serbian fiscal police, aided by regular Serbian police in Kosova, has been carrying out a town-to-town campaign of plundering Albanian private-owned businesses. Serb fiscal officers have been levying heavy taxes on private firms and seizing large quantities of goods, notwithstanding the owners are in possession of due documentation to run their business." Sources in Vitina confirmed on 20 October that "within five days, around 80 privately-owned shops and firms were raided on in the town and surrounding villages." An estimation by the LDK Commission in Vitina notes that "private business owners were stripped of over DM [German mark] 200,000."

It is reported that on 18 and 19 October, the Serbian security in Urosevac summoned two Albanians from Varosh village, a schoolteacher and a secretary of the LDK sub-branch in Urosevac and a member of the local LDK Presidency, to "report" to the police station. It is reported that both Albanian activists "were interrogated about their political activities." During last week, the Serbian police in Istok summoned four Albanians from Kaliqan village under the "alleged pretext of being in possession of arms." It is reported that one of the Albanians underwent "police torture."

It is reported from Suva Reka that over the past two days, the Serbian police "plundered some 15 cubic meters of timber from Albanian residents" under the pretext of them not paying "the land tax."

Another report on 20 October notes that an Albanian from Shtime was "summoned to report at the police station for three days in a row." Under the "alleged charges of being in possession of a revolver," the Albanian was subject to "severe police torture on 18 October." On 17 October, the Serbian police "halted and arrested" another Albanian, who was "taken at the police station in Shtime" and "was beaten up severely" under the "alleged charges of being in possession of weapons."

Citing LDK sources, Pristina KOSOVA DAILY REPORT in English No 732 on 24 October points out that "At least 120 Serbian so-called fiscal police, in tandem with Serbian regular police forces, engaged in looting Albanian private businesses in the town of Prizren" on 23 October. The report further says that "the Serbian police has plundered Albanian businesses and shops in the town several times this year. Over the past weeks, the Serbian fiscal police has been carrying a town-to-town campaign of plundering Albanian-private businesses. Albanian private owners have been complaining to having been levied heavy taxes and their goods seized notwithstanding the fact they possess due documentation for running business."

Sources in Vucitrn report that the LDK branch chairman in Stanovc village was "summoned to report" to the police station, while a Serbian police patrol on 23 October "raided" the home of an Albanian at Galic village. Under the alleged charges of "illegal arms possession," the Albanian was apprehended at the police station "for two hours" and was subject to "police torture."

A report from Glogovac says that on 21 October, the Montenegrin police stationed at Rozhaj, en route to Podgorica, "stopped a bus on board of which were 50 passengers from Ulqin, a predominantly Albanian-inhabited coastal town in Montenegro, mistreating most of them." The police "searched all the passengers on board" and "seized money" from them. One of them was "beaten up unconscious because he asked for a seizure-of-money receipt" and "had to seek medical treatment afterwards."

The Serbian police in Lipljan apprehended a 15-year-old secondary school student in Lipljan, "forcing" him into the police car and "interrogating" him about his teachers and the school principal for over an hour. The Serbian police on 23 October "arrested" a 36-year-old Albanian at his home in Bare e Shals village, who was "taken to the police station in Mitrovica." The report points out that "no explanation on the motives for his arrest has been given." Sources in Urosevac say that the Serbian police on 21 October summoned a LDK activist from Dremjak village to "police interrogation." The activist "was held at the police station for over an hour and charged with alleged possession of weapons."

Pristina KOSOVA DAILY REPORT in English No. 733 on 25 October points out that the Serbian police on 25 October "broke into the apartment" of a prominent Albanian actress with the Pristina-based Kosova National Theater. "Vigorously denouncing this outrageous act of the Serbian authorities," her colleagues told the Kosova Information Center that she had been living in the flat for "over 17 years" and that "the eviction was decreed by the Serbian-installed authorities of the Prishtina municipality."

It is reported that "under the pretext of arms possession," the Serbian police in Kamenica summoned three Albanians from Koretin and Dajkoc villages and one from Kamenica to "report" to the police station. Under "the same pretext," the police arrested three other Albanians from Dajkoc village, who "were held at Serbian security offices for several hours." Two of them were reported subject to "police torture." The Serbian police on 20 October summoned a LDK branch presidency member in Kamenica for "interrogation" and "questioned" him about "his political activities with the LDK."

Pristina KOSOVA DAILY REPORT in English No. 734 on 26 October carries several reports on the detention of LDK activists and school officials.

Under the headline "Three Albanian LDK Activists in Gllogovc [Glogovac] Sentenced to 30 Days in Prison," the report says that "the Serbian-run District Court in Prishtina has recently sentenced three LDK activists from Gllogovc to 30 days in prison each. Izet Ibrahimi, chairman of the municipal Financing Bureau, Jakup Krasniqi, chairman of the municipal Bureau of Education and member to the Kosova Parliament, and Tahir Zeneli, chairman of the LDK sub- branch at Zabel village, have been charged for having called a meeting without having asked for permission by the Serbian-installed authorities in Gllogovc. Namely, on 25 May 1994, they have attended an LDK indoor meeting in the premises of the local elementary school at Zabel village."

Report No. 734 also report that a former Kosova Albanian policeman from Trdefc village in Glogovac was "summoned" to the police on 25 October and was later "sent to the Serbian security headquarters in Prishtina," where he was "questioned in connection with his former colleagues." It is reported that the Albanian policeman was "physically maltreated" for the second time in a row.

Another report notes that the Serbian police on 25 October "detained" the principal of the local elementary school at Samadrexha village in Suva Reka. Sources in Suva Reka say "the Serbian police initially raided on the school, seizing the school seals, amounts of documentation and equipment." Sources say that a LDK Women Forum meeting, held in the school premises, was "apparently the pretext of the Serbian police intervention." The school principal is reported "still in Serbian police custody."

LDK sources report that on 25 October, the Serbian police "raided" the primary school in Dumosh village in Podujevo and summoned the school principal and secretary to "report" to the police station in Podujevo, where they were "interrogated about the school activities and the education process." The secretary was reportedly subject to "physical torture."

It is reported from Suva Reka that on 20 October, a Serbian police expedition in Doberdol village "raided" the private property of five Albanians. Under "the alleged charges of being in possession of arms," on 23 October the Serbian police "summoned" two Albanians to "report" to the police station in Podujevo. Both were reported to have undergone "police torture."

Pristina KOSOVA DAILY REPORT in English No. 735 on 27 October carries a report on Serbian police violence against the Albanian schools. Thus, "under the pretext of arms possession," the Serbian police on 26 October "detained" a teacher at the primary school in Svel village, and also chairman of the LDK sub-branch, who was "severely beaten up" at the police station in Podujevo. On the same day, a member of the LDK Presidency in Prekaz village was "ordered to report" to the police station in Skenderaj. The LDK Information Commission reports that the activist "was held in detention for several hours and subjected to physical torture."

Reporting on the Serbian police looting on the Mitrovica market, the KOSOVA DAILY REPORT writes: "Following the vast campaign of the so-called Serbian fiscal police against Albanian merchants throughout Kosova, the Serbian fiscal police, backed up by the regular police forces raided on again last Wednesday [18 October] town market place in Mitrovica, plundering dozens of vendors and citizens." The report says that "under the pretext of financial irregularities, all Albanian salesman were fined DM200 each," while DM450 and 140 were "seized" from two other Albanians.

Sources in Obiliq say that "under the pretext of arms possession," the police on 24 October summoned a member of the local LDK Presidency in Sibovc village and three other Albanians.

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